

# DIRECT MARKETING

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0.59<sup>9</sup>/pound

# SQUASH VEGETABLES

Fresh From Your Neighbor to You



# DEFINITIONS

**Agritourism:** Any farm enterprise that has a main focus of entertaining a customer rather than selling a product.

**Community Supported Agriculture (CSA):** Farmers sell shares or subscriptions for their crop, and customers receive the goods in regular installments. Summer CSAs provide weekly batches of a variety of fresh produce during the growing season. Winter CSAs typically provide stored vegetables such as root crops, squash, and cabbage; but some winter CSAs use greenhouses and deliver fresh salad greens. There are also meat CSAs and flower CSAs.



PETERSON PRODUCE

**Direct Marketing:** This means selling a product that you produce directly to the consumer who will eat the food. Sometimes, confusing the matter, direct marketing is also used to describe the sale of food directly to a restaurant, grocery store, caterer, etc. who will then re-sell the food to customers. These types of sales are actually sales to intermediate buyers.

**Farmers' Markets:** These are gatherings of farmers who set up displays of products for sale. Usually they are in the open air, but sometimes inside a building. They have a regular schedule of time and day (or days) of the week.

**On-Farm Store:** A store located in a permanent structure on the farmer's property. On-farm stores are different from roadside stands in that on-farm stores may operate year-round, offer a wider variety of products than a roadside stand, and are subject to more regulation than a roadside stand.

**Roadside Stand:** A booth or table set up along a roadside on or near the farmer's property during the growing season. The stand displays farm products for sale. Most often the products are fruits and vegetables but may include jam, jelly, or baked goods.

## WHY DIRECT MARKET?

### Price Benefits of Direct Marketing

Farmers who sell their products directly to consumers, or directly to the grocery stores or restaurants that then sell to consumers, can get a better price for their products than they could on the conventional commodity market. This is especially true for small- to mid-sized farmers who do not have the quantities preferred by the commodity market. Small quantity can actually be an asset when selling directly to local buyers,

because the product is unique and therefore special for the consumer.

Farmers who are successful at direct marketing have some things in common. They produce a high quality product and emphasize the freshness and quality of the food to their customers. When pricing their product, they set a price that allows them to make a profit.

## Sample prices received by farmers for direct marketed vs. commodity market.

Product	Direct marketed price received by farmers	USDA reported average price received by farmers
Beef, 1000 lbs. live wt.	\$1050 - \$1,950	\$835 - \$930
Hog, 220 lbs. live wt.	\$200 - \$500	\$91 - \$105
Chicken, 4 lbs. dressed wt.	\$10 - \$14.20	\$2.24 - \$3.04 (wholesale)
Eggs, 1 dozen large	\$3 - \$5	\$0.68 - \$1.19 (wholesale)
Honey, 1 quart	\$9 - \$12	\$3.11 - \$4.34
Dry beans, 1 lb.	\$1.25 - \$1.50	\$0.19 - \$0.35
Potatoes, 100 lbs.	\$20 - \$65	\$10.25 - \$14.44
Apples, 1 lb.	\$1.25 - \$2.89 (table quality)	\$0.25 - \$0.38
Apples, 1 bushel (48 lbs.)	\$26 - \$44 (sauce quality)	\$3.05 - \$4.75
Strawberries, 5 quarts	\$16 - \$20	\$6.38 - \$7.65
Tomatoes, 1 lb.	\$1 - \$4 (table quality)	\$0.35 - \$0.46
Tomatoes, 1 bushel (50 lbs.)	\$25 - \$50 (sauce quality)	\$1.66 - \$2.18

Direct market price ranges reflect a range of production and marketing practices, but generally do not include organic prices, which are higher. Direct marketed beef and pork prices reflect sale of custom-processed animals rather than sale of retail cuts. Direct marketed prices are estimates that were developed from a variety of sources: the Whole Farm Co-op price list ([www.wholefarmcoop.com](http://www.wholefarmcoop.com)), personal communications with Minnesota farmers, and prices reported on farmers' individual websites as of November 2010.

Commodity beef, pork, chicken, and egg prices paid to farmers come from the Economic Research Service of the USDA (ERS-USDA), Meat Price Spreads reports: [www.ers.usda.gov/Briefing/FoodPriceSpreads/meatpricespreads/](http://www.ers.usda.gov/Briefing/FoodPriceSpreads/meatpricespreads/). Beef and pork prices are the range of average annual prices received by farmers from 2006 through 2009. Commodity prices for chickens and eggs are not reported directly because most are grown under contract. The dollar amounts represent average wholesale prices, and the farmer receives less. For chickens, the time frame is the years 2006 through 2009. For eggs, the time frame is October 2008 through December 2009.

Commodity honey prices come from the ERS-USDA Sugars & Sweeteners reports: <http://www.ers.usda.gov/Briefing/Sugar/data.htm>, and show the range of average annual prices received by farmers for 2006 through 2009. Honey prices per lb. were converted to price per qt. based on 3 lbs. = 1 qt.

Commodity potato, dry bean, and tomato prices come from the

Economic Research Service of the USDA, Vegetable and Melons Briefing Room: <http://www.ers.usda.gov/Briefing/Vegetables/>; 2010 Yearbook Excel Spreadsheet files.

Table-quality tomato prices show the range of f.o.b. shipping point price annual averages for 2006 through 2009. Sauce quality tomato prices show the range of annual averages for 2006 through 2009 for canning tomatoes delivered to the processing plant. Tomato prices per ton were converted to price per bushel based on 1 bu. = 50 lb. Potato and dry bean prices are annual average prices received by farmers for 2005 through 2008.

Commodity apple and strawberry prices come from the Economic Research Service of the USDA, Fruit and Tree Nuts Briefing Room: <http://www.ers.usda.gov/Briefing/FruitAndTreeNuts/>; 2010 Yearbook PDF file. Apple prices are the range of annual average prices received by farmers for 2006 through 2009 for fresh apples (table quality) and processing apples (sauce quality). Apple price per ton was converted to price per bushel based on 1 bu. = 48 lbs. Strawberry prices are the range of annual average prices received by growers for 2006 through 2009 for fresh strawberries; price per pound was converted to price per 5-qts. based on 1 qt. = 1.5 lbs.

# FARMERS' MARKETS

## Introduction

Farmers' markets are part of a local food system that can be good both for farmers and communities. Consumers gain access to locally grown, farm-fresh produce and the opportunity to know the farmer who grows the produce. The market can benefit other local businesses by enticing shoppers into town. A farmers' market can also promote a sense of community spirit. Some markets offer workshops and demonstrations on good nutrition, safe food preparation, gardening techniques, and so on. Some markets invite musicians or artists to perform during the market, creating an experience that goes beyond just shopping for food.

Farmers' market sales can give farmers a good profit and there is potential for selling large volumes of product at the market. For example, metro-area farmers' markets are frequently visited by buyers for metro-area grocery chains and restaurants. It is not unusual for a grocery store's produce buyer to arrive early at the market and buy a vendor's entire truckload of produce (Kevin Elfering, personal communication, April 2006). Outside of the metro area a barrier to this type of sale is that grocery store and restaurant managers are not aware that it is legal for them to buy products from farmers. Farmers are welcome to copy the fact sheets at the end of this book as needed to help educate potential buyers in their area. Even so, farmers at non-metro farmers' markets can make a good income from the seasonal sales. Farmers at some central Minnesota markets reported incomes of \$20,000 for the 2004 summer season (Sharon Rezac Andersen, personal communication 2006).

### Benefits:

- Good entry point for farmers who want to try direct marketing
- You set your own price (but you need to consider the prices charged by other vendors at the market)
- Opportunity to help customers connect your face and your farm to the food that they buy
- Opportunity to learn about customer preferences and build a good reputation
- Sell what you have available; you haven't promised anything in advance

### Challenges:

- No guarantee that all of your product will be sold
- You need to be present at the market at the required times regardless of the weather
- Customers' loyalty may be to the market, not to you as an individual vendor
- You need to maintain good relations with other vendors at the market

### **Finding and Joining a Farmers' Market**

Farmers' market participants usually do their organizational work over the winter. If you want to join a farmers' market you should contact the market organization or the market manager well in advance of the growing season. The market may have requirements for its vendors that you will have to meet before you can join, or at least before you can sell at the market, such as:

- Membership in Minnesota Grown
- "Pickle Bill" training if you want to sell canned goods
- Liability insurance

Many of the Minnesota farmers' markets limit their vendors to farmers who live within 50 miles of the market. The number of farmers' markets in Minnesota more than doubled between 2001 and 2010, and as of 2010 there were 130 farmers' markets throughout the state. Many parts of the state have a market within 50 miles, but there are still some locales that do not. There are also areas where you might be able to attend several markets within 50 miles of your farm.

The large city markets may be harder to join than the smaller city and rural markets. The Minneapolis and St. Paul Farmers' Markets, for instance, have a waiting list of vendors who want to get in. Waiting lists are unusual for non-metro markets.

How can you make contact with farmers' markets in your area? Check with your local Extension office or ask around in your neighborhood to find out about nearby markets, some of which might be small and informal. The following lists of organized farmers' markets are updated annually and most of the listings include contact telephone numbers.

Minnesota Grown. Available in full text online or from: Minnesota Department of Agriculture (MDA), Brian Erickson, 625 Robert St N, St. Paul, MN 55155-2538. (651) 201-6539, brian.j.erickson@state.mn.us. www.minnesotagrown.com. This website lists farms and farmers' markets enrolled in the Minnesota Grown program. The online version can be searched by product or service, or by region. The print version contains lists of Farmers' Markets and CSAs. (verified 11/24/2010)

St. Paul Farmers' Market. Retrieved November, 2010 from: [www.stpaulfarmersmarket.com](http://www.stpaulfarmersmarket.com). This website lists the 21 market locations in the St. Paul Farmers' Market organization, details and contact information for each location, and a searchable list of vendors.

## Features of Farmers' Markets

Farmers' markets and market managers vary a lot from place to place. Use these lists of characteristics to help you evaluate whether your local markets are a good match for you.

### Location

Location is extremely important for the success of any farmers' market. Markets may be located on college campuses, in hospital facilities, on federal and state land, parking lots of malls or stores, park land, community centers, church parking lots, or closed city streets. When you are deciding whether to join a farmers' market, consider these points about its location. If a market's location is not ideal on any of these points it does not mean that you shouldn't join, but you should plan how you will cope with any problems.

- Market highly visible from streets and walkways
- Vendor access to telephones, electrical outlets, water, bathrooms
- Adequate parking for customers or good public transportation
- Other businesses nearby that sell products similar to what might be sold at the farmers' market
- Market area is clean and easy to keep clear of litter or other debris

### Market rules and regulations

Specific rules of operation for farmers' markets will vary. It is important that the market have a clear set of rules, and a process for enforcement of the rules, to ensure that all vendors are treated equally and fairly.

Topics covered by typical farmers' market rules:

- A membership fee, stall fee, or other way that vendors help support the market
- Restrictions regarding farms' distance from the market, production practices, and/or farm size
- Types of products allowed: produce, meats and dairy products, arts and crafts
- Vendors required to arrive, set up, and pack up to leave at certain times
- Vendors required to display certain information such as farm name, licensing, prices
- Restrictions on individual vendors' displays and advertising
- Requirements for vendors to be present a certain percentage of market days and restrictions on arriving late or leaving early
- Policy for vendors who cannot attend a farmers' market day; how far in advance must they notify the manager, and will there be any penalties for non-attendance?
- Space limitations for each vendor; everyone may get the same size space or there may be an extra fee for a larger space.
- How spaces are allotted for the season; on a first-come first-serve basis, a lottery system, or priority to vendors with more seniority
- Market participation in any nutrition programs or food-recovery programs

## Funding

Farmers' markets need a regular source of money. Many markets require farmers to pay annual dues to the market. Farmers might also pay a "stall fee" for each day that they sell at the market, or they might pay a percentage of their gross income on each market day. The money is used for market expenses such as insurance, permits, signs, advertising, promotion, and paying a market manager. Urban markets often hire a professional manager who is paid a salary. Rural and smaller city markets are often managed by one of the vendors, who may or may not be compensated.

Grant funding is another source of money for farmers' markets. The Farmers' Market Promotion Program (FMPP) is available "to expand or promote local farmers markets, roadside stands, and similar agricultural ventures." [www.ams.usda.gov/AMSV1.0/farmersmarkets](http://www.ams.usda.gov/AMSV1.0/farmersmarkets) or call (202) 720-8317 for more information.

## State regulations and insurance

Details about licenses needed by farmers' market vendors are covered in the Minnesota Department of Agriculture's "Operational Guidelines for Vendors at a Farmers' Market." Contact information for the Minnesota Department of Agriculture and more information on the state regulations for selling various kinds of products is available in the State Regulations section (page 81) and the Appendix (page 108).

Farmers' markets sometimes carry liability insurance that covers accidents that may happen during the market. Some farmers' markets might offer a broader liability coverage to vendors and charge higher fees to pay for it. Farmers might be required to carry their own product liability insurance, or might choose to do that even if the market doesn't require it. See our Liability section (page 91) for more information on farmers' areas of risk.

## Resource for state regulations:

Operational Guidelines for Vendors at a Farmers' Market. MDA. Available in full text online or from: MDA, Dairy & Food Inspection Division, 625 Robert St N, St. Paul, MN 55155-2538. (651) 201-6027. [www.mda.state.mn.us/en/sitecore/content/Global/MDADocs/food/business/fm\\_vendor\\_guide.aspx](http://www.mda.state.mn.us/en/sitecore/content/Global/MDADocs/food/business/fm_vendor_guide.aspx). This brochure outlines procedures and regulations farmers must follow if they sell at a farmers' market. (verified 11/2010)

## Nutrition programs and food recovery programs

Farmers' markets across the United States can participate in federal programs created to provide fresh, nutritious, unprocessed foods (such as fruits and vegetables) to people who are nutritionally at risk. The two main programs are the Women, Infants and Children Farmers' Market Nutrition Program (WIC-FMNP) and the Senior Farmers' Market Nutrition Program (SFMNP). The Food and Nutrition Service of the USDA is the federal agency in charge of these programs but they are administered at the state level by the MN Department of Agriculture.

People eligible for these programs receive coupons that they can use to buy fresh, raw fruits and vegetables from farmers who have been authorized (directly or through their participation in an authorized farmers' market) by the state to accept the coupons. Some farmers' markets have even installed Electronic Benefits Transfer (EBT) technology, allowing the market to serve SNAP customers (Supplemental Nutrition Assistance Program).

Some farmers' markets have arrangements with local food shelves or food pantries that take unsold produce at the end of the market day. Vendor participation in these food recovery programs is usually voluntary. Most food shelves are affiliated with Feeding America (formerly America's Second Harvest), a nationwide food recovery and distribution network.

## Resources for nutrition and food recovery programs

Senior Farmers' Market Nutrition Program (SFMNP) and the Women, Infants and Children Farmers' Market Nutrition Program (WIC-FMNP) : Carol Milligan, MDA, 625 Robert St N, St. Paul, MN 55155, (651) 201-6606, carol.milligan@state.mn.us. [www.fns.usda.gov/wic/SeniorFMNP/SFMNPmenu.htm](http://www.fns.usda.gov/wic/SeniorFMNP/SFMNPmenu.htm), [www.fns.usda.gov/wic/FMNP/FMNPfaqs.htm](http://www.fns.usda.gov/wic/FMNP/FMNPfaqs.htm). (verified 11/2010)

*Supplemental Nutrition Assistance Program (SNAP) at Farmers' Markets: A How-To Handbook.* 2010. [www.ams.usda.gov/AMSV1.0/](http://www.ams.usda.gov/AMSV1.0/)

farmersmarkets. A joint publication by USDA Agricultural Marketing Service, USDA Food and Nutrition Service, and Project for Public Spaces.

Feeding America. 35 E. Wacker Dr, #2000, Chicago, IL 60601. (312) 263-5626 or (800) 771-2303. [www.feedingamerica.org](http://www.feedingamerica.org). (verified 11/2010)

## Starting a Farmers' Market

If there is no farmers' market close to you, consider starting one! Farmers' markets have been established by local governments, farmer groups, civic organizations, community service agencies, extension or educational programs and private citizens. Farmers' markets are growing in Minnesota and have a lot of potential to help farmers sell their products and make a profit. The success of a new farmers'

market is not guaranteed, though. Research in Oregon suggests that up to 50 percent of new farmers' markets fail within four years (Dr. Larry Lev, personal communication, Nov. 2006). Like any other business venture, starting a farmers' market requires careful planning and lots of work in order to succeed. See the following resources for detailed information about starting a farmers' market.

## Resources for Farmers' Markets

*The New Farmers' Market; Farm-Fresh Ideas for Producers, Managers and Communities.* 2001. V. Corum, M. Rosenzweig and E. Gibson. Available from: New World Publishing, 11543 Quartz Dr #1, Auburn, CA 95602. (530) 823-3886. [online@nwpub.net](mailto:online@nwpub.net). Parts of the book are available online at: [www.nwpub.net](http://www.nwpub.net). This book covers tips and trends from successful U.S. sellers, managers, and market planners: selling at the market; starting, managing and promoting the market; and educating the community about fresh, local foods, and farmers' markets. (verified 12/2010)

*Farmers' Market Manual for Minnesota: A Guide for Management and Vendors.* 2006. Compiled by T. Nennich, M. Crawford and K. Foord. Available from Minnesota Farmers Market Association, [www.mfma.org](http://www.mfma.org). This new manual compiled by University of Minnesota Extension educators contains nuts and bolts information for farmers and market planners about starting and sustaining a dynamic farmers' market in Minnesota. (verified 12/2010)

*Starting a Farmers' Market.* MDA. Available in full text online or from: Ruth White, MDA, 625 Robert St N, St. Paul, MN 55155-2538. (651) 201-6494. [Ruth.White@state.mn.us](mailto:Ruth.White@state.mn.us). [www.mda.state.mn.us/en/sitecore/content/Global/MDADocs/food/mngrown/startfarmmkt.aspx](http://www.mda.state.mn.us/en/sitecore/content/Global/MDADocs/food/mngrown/startfarmmkt.aspx). This pamphlet contains basic information about starting a market, and appendices with sample by-laws, regulations, and food handling and demonstration tips. (verified 12/2010)

Project for Public Spaces (PPS). Contact: PPS, 700 Broadway, 4th Floor, New York, NY 10003. (212) 620-5660. [info@pps.org](mailto:info@pps.org). [www.pps.org](http://www.pps.org) PPS is a nonprofit organization dedicated to creating and sustaining public places that build communities. They host training sessions for market managers, offer grants, and host a listserv for farmers' market managers. (verified 11/2010)

**Profile: Albert Lea Farmers' Market**

*Corner of North Broadway and Water Street*

*History*

The Albert Lea Farmers' Market buzzes with activity on Saturday mornings and Wednesday afternoons in a municipal parking lot overlooking beautiful Fountain Lake. Started by the Minnesota Citizen Action Group from Freeborn County, the market has been in operation since 1981 and has changed locations several times. The market was first held on a closed-off street in Albert Lea, then moved to two store parking lots. Traffic and noncompetition restrictions (vendors couldn't sell pumpkins if the stores had pumpkins for sale) led to a search for a new location. Downtown merchants, seeing the value of an open-air farmers' market, suggested the possibility of moving the market to the downtown area. This new site for the market, a municipal parking lot offered at no charge by the city, draws people downtown to visit not only the farmers' market, but other downtown businesses as well.

*Current Operation*

From its inception, the Albert Lea Farmers' Market has been driven by the farmers. It is run by a board of directors, six vendors who are elected at an annual meeting of all market vendors. Board members aren't paid, but the officers do receive a free stall space. Verlys Huntley, current Chair of the Board, has been involved with the market for more than 15 years. Verlys feels that having vendors on the board is an important part of the Albert Lea market. "To have a successful organization you have to have the people [who are directly] involved setting up the rules. They know what is feasible, what is going on."

Market members vote on any changes to the rules and regulations governing the market. The board has set the fee for a 15-foot stall at \$55. Vendors who work on one or more activities held at the market receive a \$20 discount. In an attempt to encourage local craftspeople, the market now offers \$20 permits, for five market

days only, for vendors selling their crafts. Vendors at the market primarily sell raw vegetables. A few vendors sell homemade baked goods, jams, and jellies. There are specific regulations regarding such items, and they require a sign stating that they are homemade and not subject to state inspection. There are specific requirements for taxable items, eggs and meat, and some processed items are not allowed at the market. Vendors are encouraged to price their products by unit (piece, bag, box, dozen, etc.) rather than by weight. To price items by weight, vendors must have a scale that is inspected and in accordance with the weights and measures law of the State of Minnesota.

Verlys believes that the farmers' market not only provides the farmers with a better price for their products, but also allows them direct feedback from customers, pushing them to try new growing or marketing techniques. In addition, many farmers enjoy the camaraderie and interaction with other farmers and customers at the market. For the customers, the market is also a community experience. Verlys said, "You know these people [farmers], you know the families, and that's why a lot of people come to the market. They know you and your practices. I think it's the atmosphere at the market."

Verlys and others work hard to advertise the market and to bring in new customers. A good portion of fees from the vendors goes to radio advertisements. These ads are run during a popular local call-in radio show, "Party Line." Verlys also writes a column for the local newspaper. Her columns feature history and nutrition information about a seasonal fruit or vegetable, as well as recipes. Featured fruits or vegetables are usually in abundance at the market, and the recipes offered bring quite a few people to the market to buy ingredients. Verlys' column also promotes special market events they hold at the market, such as a June strawberry festival or an August sweet corn and brat meal. In September they have a children's day at the market. They enlist their local FFA group or 4-H group to assist with games for the kids—zucchini races, pumpkin painting, a watermelon seed spitting contest, and a beanbag toss. Events are geared toward getting

more families, and more young people in particular, to reconnect to their food and its production. Accordingly, the market also accepts WIC and Senior Farmers' Market Nutrition Program Vouchers.

Verlys mentioned that, in addition to new customers, it is also important to find new farmers for the market each year. Farmers must come from within a 35-mile radius of Albert Lea and no commercial growers are allowed. Verlys leaves her contact information with the local chamber of commerce. Her weekly newspaper column invites new farmers to inquire about becoming vendors. New vendors attend a meeting with a health and food safety inspector present to answer their questions. New members are assigned stalls at the market after they have paid their permit fees. Members from a previous year may retain their same stall if they pay their fee at the annual meeting. The fees may also be paid on the vendor's first day at the market. New vendors fill out and sign a permit application that consists of seller information and guidelines, which they turn in to a board member with their permit fee; they are then issued a permit card and assigned to an available stall.

Liability insurance is the vendor's responsibility at this market. While some markets have an umbrella insurance policy for all vendors at the market, the people at the Albert Lea Farmers' market have found that requiring the vendors to carry their own insurance works better. Vendors are also responsible for making sure the foods and products they sell are in compliance with local and state laws.

#### *Words of Advice*

A successful market will have a good location, adequate number of vendors, friendly atmosphere, cleanliness, and compliance with local and state regulations. Verlys's practical advice for vendors:

- Keep an adequate amount of change on hand for customers paying with cash.

- Have bags for customers to carry produce in.
- Keep in mind the customers' special needs—offering to help someone with several small children carry their produce to their car can go a long way.
- Keep an awning or umbrella on hand if such things are not provided by the market to keep you and your produce cool and fresh; pack more perishable items on ice or keep them in a cooler.
- Never underprice your produce. This may lead the customer to think you are selling an inferior product and, at the very least, will likely upset other vendors.

More experienced vendors are usually more than willing to offer advice, and there are many innovative and competitive ways to price your products without undercutting the other farmers at the market. Sometimes customers may have a problem with your product. This may be the result of a flawed product or of the customer not storing the product correctly. Regardless of the reason, it's important to put customer satisfaction above pride. Do what you can to please the customer, while keeping in mind that you cannot please everyone.

With her years of experience in farming and farmers' markets, Verlys offers some of the best advice on creating a successful farmers' market. "In this day and age of convenience stores and one-stop shopping, we must strive as farmers' markets to offer the consumer things they do not get in those places. We can offer fresher, vine-ripened produce at the peak of flavor... And farmers' markets offer consumers a one-on-one connection with the grower of their produce and an appreciation for the flavor and quality of locally grown fruits and vegetables."

**Profile: Metro-Area Farmers' Market:  
Midtown Farmers' Market**

Lake and 22<sup>nd</sup> Avenue, Minneapolis  
www.midtownpublicmarket.org

The Midtown Farmers' Market, a bustling and successful relatively new market located on Lake Street and 22nd Avenue in Minneapolis, began operating in July 2003 after a year of planning. The idea for a market and the choice of location for the Midtown Market was part of the Corcoran Neighborhood Organization (CNO) master plan for high-density housing connected to a market and green space, easily accessed by public transportation. The market is near the new light rail and has several bus routes running through the area. There is ample room for parking.

*The Midtown Farmers' Market,  
a bustling and successful relatively  
new market*



MIDTOWN FARMERS' MARKET

Just off Lake Street are single family and lower density apartments. There is also a YWCA right next door. As Amy Brock, CNO's Executive Director said, "What a great fit—people are going there to work out and then going to get some fresh veggies." The Midtown Market leases the land from Minneapolis Public Schools for a token payment of one dollar per year.

*Getting Started*

With location for the market established, the next priority was to recruit farmers and other vendors. Because the Midtown Market partnered with the Minneapolis Farmers' Market, the Midtown market was able to draw from the same organization that serves the Minneapolis market, the Central Minnesota Vegetable Growers Association (CMVGA). The market manager for the CMVGA gathered the information on the farmers, visited the farms, and took care of the rest of the application process. Having the CMVGA recruit the farmers

was enormously helpful in the beginning, since farmers might be reluctant to commit to a fledgling market. CMVGA continued to manage the farmer applications and fees over the next two summers, but gradually transitioned the work to the Midtown market manager, Joanna Stone, who took over the farmer recruitment and oversight completely in 2006.

The organizers also needed to quickly draft their own rules and regulations for the market at the same time they were recruiting farmers, since those decisions impacted how vendors were chosen. They used the Minneapolis Farmers' Market rules and examples of rules from other markets as a starting point for drafting their own rules. Farmers at the Midtown Market must be located in either Wisconsin or Minnesota. There are no requirements for certain production practices, but there are a few certified organic farmers at the Midtown Market, and many of the farmers use sustainable production methods.

Choosing the right number of vendors for a new market is challenging. Amy estimated that their initial number of visitors to the market was about 2,500 people, and that the market would even out to about 20-40 vendors per day. The goal is to ensure enough vendors to have variety, yet make sure that the vendors who are there have sufficient customers and sales to make it worth their while. "You can get all the farmers there that you want, but if you don't have customers, they're not going to come back. They have a perishable product. You have to balance between how much time you're spending on recruiting vendors and how much time you're spending recruiting customers."

To invite customers to the market, the Midtown organizers advertise in local newspapers such as the Corcoran Neighborhood News and the Longfellow Messenger. For large events they write press releases for the major newspapers such as the Star Tribune and the Pioneer Press. Volunteers put up fliers and posters and include fliers with WIC vouchers being sent to people in the neighborhood. They put ads in church bulletins and work with churches in other ways to try to reach out to different communities. Organizers also tried to create a day once a week or month when residents from a senior apartment building plan an outing to the market. The Midtown Market logo is advertised on t-shirts and bags, and the nearby section of Lake Street now has banners featuring the logo hanging from street lamps. By using a diverse array of advertising techniques, the organizers of the Midtown Market hoped to draw people from a variety of cultures, professions, and backgrounds to make their market successful.

Courie Bishop & James Fitzgerald of Double Rabbit Farm ([www.doublerabbitfarm.com](http://www.doublerabbitfarm.com)) in southwest Minnesota began selling at the Midtown Farmers' Market the summer of 2006, and gained many loyal customers. They farm 12 acres of heirloom vegetables and herbs using organic production practices. New to farming, Courie found out about the Midtown Farmers' Market while doing online research for alternative markets. She felt that the Midtown Market would be ideal. "It seemed, and turned out to be, the ideal community for us—vibrant,

eclectic and supportive!" The application process was simple—they received an application packet after emailing Joanna. They obtained liability insurance and completed the application.

On a typical market day, they get up at 2:30 a.m. and pack the truck to be at the market by 7:00 a.m. to set up before the market opens at 8:00 a.m. They sell until 1:00 p.m., take about 30 to 45 minutes to tear down, pack everything up, then head out for the long drive home. They charge by the pound and weigh at point of sale. They base prices on the going rate for organics in the Twin Cities and on fellow farmers' prices at the market. Courie likes selling at the farmers' market—it allows them to receive a better price and to develop strong relationships with customers. Courie and James also operate a CSA (with pick up at the market) and some of their farmers' market customers become CSA members. Courie also enjoys networking with other producers and merchants at the market, and feels that it creates future sales. They might consider doing some roadside marketing in 2007, in addition to the Midtown Market. They are also exploring the possibility of selling produce to some Twin Cities restaurants. When asked if she had any words of advice for farmers considering selling at a farmers' market, Courie said, "Find the right niche, the right neighborhood and have fun! It's hard work and a lot of planning from canopies to scales, but it's a big payoff, financially and emotionally."

#### *Community Support*

Volunteers are the key to success of a community-initiated and -sponsored market, and coordinating the many volunteers is one of the greatest challenges. Amy advised market organizers to recruit volunteers early. In addition to her other work for the Corcoran Neighborhood Organization, Amy was the only paid staff person working on the market in the first planning year. Amy said, "We had amazing volunteers that first year. Basically, everything that happened was done by volunteers. I just managed the project." Volunteers handled negotiation of the lease, the partnership agreement with the Minneapolis Farmers'

Market, publicity work, site design, and fundraising. The market benefited greatly from its association with an established neighborhood organization. Market organizers were able to draw on the organization's resources of a database of past volunteers, a newspaper, and membership meetings. In the summer of 2003 two interns helped to manage the market. In September 2003 Joanna Stone joined the market staff, initially on a stipend from Lutheran Volunteer Corps and, after a year, as the Midtown Market Manager. In addition a new volunteer was recruited from Lutheran Volunteer Corps who split her time between the Corcoran Neighborhood Organization and the Midtown Market. They still rely heavily on volunteer help from the community.

The market's association with the nonprofit organization was also important; they already had relationships with potential funders. The market organizers raised about \$75,000 in their first year to support the creation of the market. Funding came from sources such as the Longfellow and Corcoran neighborhood organizations, the Minnesota Office of Environmental Assistance, the McKnight Foundation, the Twin Cities Federal foundation, the East Phillips Improvement Coalition, and the local business association, plus nearly \$6,000 from individual contributions. The Higher Education Consortium for Urban Affairs (HECUA) also provided a full-time intern for the summer.

Political support was also important. Market organizers need to work with zoning, with the Health Department, and with licensing. Having the support of the mayor or council members can speed the process.

#### *Creating the Market Atmosphere*

"We're really trying to focus on opening a great market every day, getting the vendors there, getting the customers there, and having some entertainment." Amy described some of the tasks and activities that go into the simple maintenance of a market, as well as some additional things they do at the Midtown Market to create an atmosphere that keeps people coming back.

They have several special events, including cooking demonstrations with Lucia Watson from Lucia's restaurant in Uptown. Demonstrations focus on cooking whole foods and are geared toward WIC-FMNP recipients who frequent the market. "Because a lot of the WIC recipients in the [Twin Cities] live in our area, we put our fliers in the envelopes with the WIC-FMNP vouchers and we also promoted the cooking demonstration."

Musical groups that play at the market are typically not paid, but sell their CDs and gain name recognition. The market helps to promote and publicize them as well. The entertainment is diverse, with "everything from South American flute players to Taiko drummers and Christian folk music to Hispanic dancers."

Another important enhancement the Midtown Market organizers offered were weekly workshops on issues regarding sustainability. An intern arranged most of the entertainment and workshops. The workshops focus on a waste reduction theme as part of the market's obligations to the Office of Environmental Assistance. Amy said, "It's so important to our community anyway—we have a very green community—so I thought that would be a natural fit."

In addition to special events, the market initially offered tables free to nonprofit organizations that want to come to the market and share information. Several nonprofits attended, including Big Brother/Little Sister, the Midtown Greenway Coalition, the Park Board, Master Gardeners, and neighborhood organizations. The Market now charges informational booths the same fee as other vendors.

Organizers of the Midtown Market provide a dumpster and trash containers for vendors and patrons, as well as handicap accessible bathrooms and wash stations. They also supply other miscellaneous but important items such as café tables, chairs, and umbrellas for patrons to use; a few market tents and tables (used by the market itself, community groups, and events—vendors must bring their own); and signs and banners.

*Future Plans and Advice*

Initial grants and other support were very important for getting the Midtown Market started. The continued success of the market, however, will depend primarily on dues paid by vendors at the market. Vendors pay \$20 per Saturday and \$10 per Tuesday for a market stall. According to Amy, one of the greatest challenges while starting the market was “managing all of the details and not having the budget to pay staff.” It is much easier to manage a smaller staff of five or so people working full-time than fifty volunteers with a multitude of different ideas and personalities. To others considering such a project, Amy advised “Make sure you have someone that is willing to see it through and be the central organizer, and make sure the people in your group know that that person is the central organizer, because one person needs to see all aspects, and they have to have the ability to say no to certain things. Find a good central person who is going to be kind of the champion, and who has about 30 hours a week to work on it.”

They continue to innovate. They recently received a grant from the Project for Public Spaces, Inc., with funding provided by the W. K. Kellogg Foundation. This grant was used to develop a system to accept Electronic Benefits Transfers (EBT), the system that replaced paper food stamps with a debit card system. Because farmers’ market vendors can’t take credit or debit cards, EBT cards cannot be used at most markets, which essentially stops recipients from being able to use food stamps at farmers’ markets. The Midtown Market is piloting the first Farmers Market EBT project in Minnesota, using a wireless terminal to swipe the cards for a certain amount and giving EBT shoppers one dollar wooden tokens to use at vendor stands. EBT tokens work just like cash in the market and can be used to purchase any eligible grocery items. The second component of the Midtown Market’s

token program is a set of tokens that can be purchased with a Visa or Mastercard and used to purchase any item in the market. Visa and MasterCard shoppers pay a minimal processing fee, which helps cover the cost of their own transaction and the monthly cost of the terminal. This makes the token program fairly sustainable, as well as providing a convenience to shoppers and boosting vendors’ sales.

The Midtown Market has been a success. It has close to 2000 visitors per week, 600 to 900 at the Tuesday market and 1000 to 1200 at the Saturday market. At the peak of the season, they have about 30 to 35 farmer vendors, and 5 to 10 local artists. In 2005 and 2006, the Saturday market was open from May through October, and the Tuesday market was added on from July through October. In the early part of the season, they have about a dozen vendors selling bread, meat, eggs, and cheese and some bedding plants. Joanna would like to find more farmers who have early spring vegetables. They also tried holding a Sunday market in 2005, but felt it just cut their Saturday attendance in half. Joanna said they’d wait to do that until the Saturday market was “bursting at the seams.” The Midtown Market has also succeeded in its aim of attracting customers and vendors from diverse backgrounds. “The Midtown Public Market is bringing people and cultures together, building bridges across the richness of diversity in this area,” said Father Jose Santiago of Holy Rosary Church in East Phillips.



**MIDTOWN MARKET**

### Profile: Farmers' Markets on Hospital Grounds

Since hospitals and healthcare institutions are in the business of keeping people healthy, it only makes sense that they should contribute to eating habits that promote good health. One successful strategy has been to sponsor on-site farmers' markets.

In the summer of 2006, Hennepin County Medical Center (HCMC), the Minneapolis VA Medical Center, and Park Nicollet Health Services all began bringing healthy food directly to their patients and staff by hosting weekly farmers' markets and one-time market events. Each market featured fresh-picked produce grown by local farmers.

The Hennepin County Medical Center Market started in early August with four local farmers who were recruited by HCMC's Brenna Vuong, Director of their Clinical Therapeutics Program, with help from Brian Noy at the Institute for Agricultural Trade Policy. They formalized the agreement with the vendors by having them submit applications and obtain city permits to sell, although there was no vendor fee. Vendors signed letters of intent that they would sell every Wednesday through October, and they would follow the Rules of Operation (modeled after the Mill City Farmers' Market rules). Tables were set up by the hospital's main entrance near 6th Street and Chicago Avenue. The growers sold cut flowers and vegetables. Due to customer demand, one grower eventually obtained a distributor's license so that he could sell fruit. "Our staff loved the convenience," Brenna said. "And we had people coming from the neighborhood—they were thrilled to have the market, because there's little access to fresh produce in this area." HCMC plans to sponsor the market again next year. They're considering holding the market in the park across the street to further encourage community access, and may also seek at least one organic farmer for next year, as suggested by the medical staff.

At the Minneapolis Veteran's Administration in St. Paul, Linda VanEgeren worked with the St. Paul Farmers Market Association (SPFMA) to establish a Tuesday afternoon market from

mid-July through the end of September. Their goal was to increase employee access to fresh produce, but they also hoped that veterans receiving care at the VA, their family members, volunteers, and other community members would enjoy the market. The VA provided space in the parking lot, just outside the outpatient clinic doors, and the SPFMA selected the farmers, preferring farmers using organic methods as requested by the VA, to sell locally grown produce. They started out with 10 to 12 vendors, but quickly realized that was too many, and scaled back to 6 to 7 vendors. Employees enjoyed being able to choose from a wide variety of locally grown vegetables—beans, squash, corn, onions, tomatoes, peppers of all sorts, and Asian vegetables such as Thai eggplant. Farmers also sold fruit—raspberries, apples, and melon—as well as honey and beautiful cut flowers. The market was a success, and will be back by popular demand next year.

At Park Nicollet Health Services, Kris Haugen's job involves directing a health promotion program to keep Park Nicollet employees healthy. She works in HealthSource, a department that offers health promotion services to area employers. She realized that their own employees were at risk for not getting their "5 a day" servings of fruits and vegetables, and so worked to establish farmers' markets at five different Park Nicollet locations in the metro area. At two locations, Methodist Hospital and St. Louis Park, the markets became weekly events. Kris recruited three to four farmers for each market by visiting other markets, and approaching local farmers and asking if they would be interested in selling at an additional market. There was no formal agreement and no cost to the farmers. Park Nicollet staff set up tables either outside the buildings or in the lobby, depending on the weather. Farmers sold fresh fruit and vegetables, cut flowers, honey, maple syrup, sweet corn and apples. Two Hmong farmers introduced employees to new Asian vegetables and provided recipes. The market was extremely successful—the only complaints Kris had were from afternoon shift employees who wanted the 10 a.m. to 2 p.m. market to extend into their shift. One patient said that she began scheduling her weekly appointments for market

day. Kris said, "It did my heart good to see employees walking out of the building at the end of the day with two big bags of healthy fruits and vegetables."

These newly developed hospital-based Twin Cities markets are part of a budding national healthcare trend. A recent report, "Healthy Food, Healthy Hospitals, Healthy Communities" by Marie Kulick, of the Institute for Agriculture and Trade Policy's Health and Food Program,

(www.iatp.org) highlighted several national programs using different strategies to introduce more locally produced fresh produce into patients' and staff's diets. One major health system, Kaiser Permanente, has embraced farmers' markets as a way to achieve its overall mission and improve the health of the communities it serves, opening more than 20 markets since 2003 at facilities in California, Hawaii, Oregon, and Colorado.

## Small Town Markets

Roxie Roberts and her husband Merle market their pork and beef at farmers' markets throughout central and northeastern Minnesota, including markets in St. Cloud, Brainerd, Crosby, Nisswa, Aitkin, and Grand Rapids. Roxie also manages the Aitkin farmers' market.

All of the small town markets that Roxie and Merle attend have a market manager and a set of rules, and all follow state guidelines for markets and vendors. Roxie is an unpaid volunteer manager for the Aitkin market but some of the other market managers are paid. Most small town markets struggle to get adequate funding. The Aitkin market had a small amount of grant money during its first year, and also held a burger, brat, and sweet corn meal as a fundraiser. Vendors help fund the market by paying an annual membership fee and also a stall fee for each day they attend the market. The market pays for a small amount of signage and advertising but relies heavily on word of mouth to advertise the market. The Westside Baptist Church hosts the Aitkin farmers' market in its parking lot, and the market makes a donation to the church in appreciation of that hosting.

Some urban markets feature musicians, artists or workshops that make the market into an event. Roxie said that adding those kinds of extra features to the Aitkin market has been discussed, but they haven't done it yet. Coordinating special events requires time and attention from the market manager, and when that person is also a vendor it is difficult to manage those "extras." Small town markets tend to be a grocery shopping destination for customers rather than an entertainment destination.

Roxie said that a drawback of smaller markets is that they do not have the variety or the quantity of products that can be seen at larger markets. There are not enough vendors at the small markets to meet the current demand, and she thinks that more vendors would really help to build the markets. An advantage of small town markets is that their small size makes them more personal. The vendors have time for a lot of one-on-one conversation with their customers, and this helps build customer loyalty. Roxie estimates that rural customers drive 20 to 50 miles to shop at the farmers' markets. She notes that loyal customers from the summer farmers' markets visit her farm to buy meat during the fall and winter.

*The Aitkin farmers' market ceased operations in 2008.*



ES U.S.

*Fresh*

# COMMUNITY SUPPORTED AGRICULTURE

Community Supported Agriculture (CSA) is a partnership of mutual commitment between a farm and its members. Member fees cover a farm's yearly operating budget in return for a share of the harvest. Hence, CSA members share with the farmer the costs and risks of farming, as well as the harvest.

Of the local marketing systems discussed in this publication, CSAs provide perhaps the most direct relationship between farmers and their communities. This intimate connection between the farmer and the CSA members is often based on a shared philosophy about food production and community. A CSA structure benefits the farmer by reducing the need for loans, because

the members put up capital for the seasonal operating expenses (though not initial CSA start-up costs.) Just as the farmers' input costs are basically the same, regardless of the size of the harvest, the member fees are the same, regardless of the size of the share each week. In good years, the members share in the bounty. In poor years, the shares will be smaller. Members of a CSA benefit not only from a healthy diet of fresh fruits and vegetables, but also from the opportunity to be connected to the farm that grows their food.

The majority of CSAs are summer-seasonal vegetable CSAs, but there are also winter CSAs, flower, fruit, and meat and egg CSAs.

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## Are You Suited to a CSA?

To be successful in a CSA operation, you should have experience in growing produce, good communication and customer service skills, and excellent planning and recordkeeping skills.

### Experience

CSA operations require expertise in vegetable and fruit production as well as demonstrated past success. Your members are willing to take the weather and pests risks with you—to a point—but they'd like to know that you've had success in the past. If you are a novice at farming, learning how to manage a CSA at the same time that you are learning how to grow the crops might be just too much. If your goal is managing a CSA but you don't have much farming experience, consider starting out very small, or by selling your produce at farmers' markets or spending time as an intern or apprentice on another market or CSA farm. Selling at farmers' markets is a good way to get to know potential CSA customers, too, and for them to get to know you. This acquaintance can form the basis of the closer business relationship of a CSA.

### Communication and customer service

A CSA is an enterprise that will be sensitive to feedback from your members and you need to keep them well informed about happenings on the farm. Customers join CSAs because they want fresh vegetables and because they want a real connection to the farm that grows their food. Communication with your CSA customers is part of the value that you add to your products. Some CSAs send out weekly or monthly newsletters to their members. Some include recipes in the weekly produce containers. Some invite customers out to the farm for special events.

### Planning

A CSA farmer must be well organized and able to plan a whole season's production before the first seed is planted. You need to manage plantings for steady, season-long production so that customers receive the diverse, weekly box of produce that they were told to expect when they joined the CSA.

## Recordkeeping

You need to be committed to keeping detailed production and financial records. Customers are buying a share of the farm's yearly production and paying for it up front, before the growing season starts. This means that it is necessary to estimate all costs for the growing year, including your own salary or profit, and possible health insurance and retirement benefits. If your financial estimates are wrong, you risk running short of money after all your hard work. If your production estimates are wrong, you risk shortchanging your customers and losing their business. In your first year or two you will have to rely on other CSA farmers' experiences and rules of thumb to make your estimates. Careful recordkeeping during your startup years will be extremely valuable in helping you make estimates in future years. Many CSAs also use other markets for their produce, such as farmers' markets or restaurant sales. If you are managing a CSA as one part of a larger operation, you

need to designate certain acreage for the CSA shares and to calculate seasonal operating costs for the CSA based on those areas.

To help you evaluate whether you have the physical resources to establish a CSA enterprise, and whether this is a good match for your goals and skills, consult a resource evaluation tool. "Evaluating a Rural Enterprise" is one such tool from Appropriate Technology Transfer for Rural Areas (ATTRA). The Wisconsin Center for Integrated Agricultural Systems (CIAS) Research Briefs also offer valuable insight into successful CSA organizational structures and operation, and impact on the community. They studied CSA operations in Madison, Wisconsin, and the Twin Cities area in the early '90s, and identified common challenges and best practices. Specific production information and requirements for CSAs are outlined in "Community Supported Agriculture Resource Guide for Producers and Organizers" and "Sharing the Harvest: A Guide to Community Supported Agriculture."

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## Considerations for Operating a CSA

### Members

Once you've decided to start building a CSA, you'll need to decide how many members you want and then recruit them. Experienced CSA farmers recommend starting small. That way you can work out the kinks in your operation before encountering problems on a larger scale. If you are already selling at a farmers' market or roadside stand, talk to your customers to see if they would be interested in a CSA membership. You'll have to have a preliminary idea of what types of produce you plan to provide and have done some number crunching to have an estimate for cost of a share.

### Size and price of a share

In the Twin Cities area for the 2010 summer season, most regular CSA memberships were in

the range of \$475 to \$630 per season. A season typically ran for 18 to 20 weeks, and customers received an average of 16 to 20 pounds of produce per week. This was estimated to feed a family of four. CSAs can offer a variety of pricing options. Half-shares are popular among small families or single people. Some farms offer a discount if customers pick up their share at the farm. Some CSAs offer a "working share" discount for customers who commit to working a specified amount of time at the farm.

### Harvesting, handling, and packing

You will need a system to harvest, wash, store, and pack your produce and a clean place for storing and packing. You need cool storage for vegetables that are harvested a few days before delivery. CSA deliveries are typically weekly.

## Packaging

CSA packaging methods are as diverse as CSAs themselves. Some use heavy-duty waxed cardboard boxes or plastic crates that they collect and re-use. Some use lighter cardboard boxes and replace them as they wear out or get lost. Some use mesh or other types of bags.

## Delivery locations and schedule

Many CSAs allow pick-up of shares at the farm, but also have one or more drop sites in locations convenient for their members. Some CSAs cooperate with local food co-ops, churches, offices, or other similar locations. CSA members pick up their shares within a specified time frame. Talk with your prospective members about their preferences. Some members may even be willing to open their home as a drop site for others in their area.

## Product mix

CSA farmers often consult their members about what kinds of produce they'd like to see in their boxes. Starting with the basics is wise, but as you gain experience you can try novel ideas. For CSA members, receiving uncommon fruits or vegetables in their boxes, along with information and recipes for using those foods, is one of the valuable things about belonging to a CSA.

CSAs can offer creative extras that differentiate their farm. For example, Rock Spring Farms in southeastern Minnesota offers a special salad share, with a weekly supply of salad greens and other salad ingredients. Ploughshare CSA near Alexandria offers a frozen winter share, one hundred pounds (total) of a variety of frozen

produce from Ploughshare Farm delivered over the course of the winter. The produce for the frozen shares are processed by residents at Camphill Village, a rural community where adults with developmental disabilities live and work with staff. Several CSAs are using hoop-type houses (high or low tunnel greenhouse-like structures) to extend their season and enable them to offer fresh produce well into the winter. The Food Farm, near Duluth, built a climate-controlled storage facility that allows them to store some vegetables and offer a winter share that provides monthly produce deliveries from November through March. Nokasippi River CSA near Brainerd uses corn-heated greenhouses to grow fresh salad greens throughout the winter. Some CSAs offer a weekly bouquet of cut flowers in addition to their regular vegetable share.

As with other enterprises, your best source of information will be experienced CSA farmers in your area. Listings or contact information for Twin Cities area, Wisconsin, and Iowa CSA farms can be found in the Resources for Community Supported Agriculture section. Telephone them, or start by visiting their websites. Several websites post pictures of contents of share boxes at various times in the season or have worksheets indicating what was delivered in each box throughout the last growing season. Visiting websites and reading sample newsletters will also give you an idea of how other CSAs communicate with their members and what kinds of events they host for members.

## EAT HEALTHY REBATE

[www.HealthyChoicesBigRewards.com](http://www.HealthyChoicesBigRewards.com)

A Madison-area health insurance company is teaming up with area CSA farmers on a really great idea. With the Eat Healthy Rebate program from Physicians Plus Insurance Corp., members can apply their Good Health Bonus rebate to the cost of a produce share from Madison Area Community Supported Agriculture Coalition (MACSAC) farms! Physicians Plus members can receive rebates of up to \$100 for single coverage insurance contracts and \$200 for family-coverage contracts.

PPI made it easy to apply for the rebate. Members choose a farm from the MACSAC list at [www.macsac.org](http://www.macsac.org). They sign up using the form required by the specific CSA, write "P+ Eat Healthy Rebate" on the form, and mail a copy to Physician's Plus.

Katheryne Aubrach, Director of Marketing at PPI, reports that in its first year the program has had overwhelming response. They've had nearly \$100,000 worth of media exposure and 894 of 40,000 subscribers participated in the Eat Healthy Rebate Program. "At an average rebate of \$150 per participant, that's over \$134,100 supporting local CSA farms," said Katherine. "And 52 percent of the participants were new CSA members." Laura Brown, Director of MACSAC, reported that interest in CSAs among consumers and farmers has skyrocketed, CSA farms filled out their membership more quickly last summer, and 13 new farms requested applications to join MACSAC for 2007.

For people who want to develop a similar program, Katheryne suggested starting by

encouraging your employer to lobby their health insurer for these rebates. She also said that this program works because the Madison Area CSA farms form a coalition, so the health insurance company is working with one entity rather than 24 separate farms.

All parties are pleased with the success of the program, and a 2007 Eat Healthy Rebate program is already in place. As it says on the PPI website—"What could encourage a healthier diet more than a weekly delivery of a box brimming with fresh organic fruits and vegetables?! This is such a win-win—for families, for local farmers, and for a healthier community." Miriam Grunes, Executive Director, REAP Food Group.

## Resources for Community Supported Agriculture

Community Supported Agriculture. 2006. K. Adams. ATTRA. Publication no. IP289. Available in full text online or from: ATTRA, PO Box 3657, Fayetteville, AR 72702. (800) 346-9140 (English), (800) 411-3222 (Español). [www.attra.org/attra-pub/csa.html](http://www.attra.org/attra-pub/csa.html).

Beginning Farmer Case Study: Loon Organics. 2010. Minnesota Institute for Sustainable Agriculture and EcoSmith Consulting. [sustagprofiles.info](http://sustagprofiles.info). Detailed case study of start-up CSA, including budgets, equipment needs, planting schedules, many tips and resources.

CSA Training Manual. 2007. Community Supported Agriculture in Michigan. [www.csafarms.org/csafarms0656231.asp](http://www.csafarms.org/csafarms0656231.asp). This 49-page manual includes information on share pricing, member recruitment and retention, production, distribution, and business management.

## Directories of CSA Farms

CSA Farm Directory (updated annually). Land Stewardship Project (LSP). Available in full text online or from: LSP, 2200 4th Street, White Bear Lake, MN 55110. (651) 653-0618. [www.landstewardshipproject.org/csa.html](http://www.landstewardshipproject.org/csa.html)

Madison Area Community Supported Agriculture Coalition (MACSAC) Farmlist. Available online or contact: MACSAC, PO Box 7814, Madison, WI 53707-7814. (608) 226-0300. [info@macsac.org](mailto:info@macsac.org). [www.macsac.org/farmlist.html](http://www.macsac.org/farmlist.html). This lists CSA farms serving southern Wisconsin who belong to the Coalition (have been through a peer-reviewed application and interview process).

**Profile: Easy Bean CSA**

*Mike Jacobs and Malena Arner-Handeen  
Milan, Minnesota  
www.easybeanfarm.com*

After spending two years as an apprentice on a farm in California, Mike Jacobs moved to Milan, Minnesota, with the intention of creating a direct marketing enterprise. In 1996, he began producing vegetables for sale at farmers' markets as well as wholesale to food cooperatives and restaurants. Malena Arner-Handeen joined Mike on the farm in 1998, and they decided to make the transition to Community Supported Agriculture. Mike saw Community Supported Agriculture as a good fit for him and his philosophy about local food systems—a way to raise awareness of food and food production as well as to provide people in the city with produce that is healthy for them and the environment.

They began by making and sending out brochures to people they knew in the Twin Cities and the Milan area and asked these people to tell others about the CSA. The initial members of Easy Bean CSA were primarily friends and family. Mike stressed that it's important to "start really small and realistic and start with a plan of where you're heading." Mike started with 30-35 members. "Some things will inevitably go wrong as you're beginning, and it's easier to cope with difficulties that arise if you're working on a smaller scale." CSAs typically grow by word of mouth, so having the confidence of your members is crucial to the growth of a successful enterprise. Mike and Malena retain most of their customers from year to year.

*Current Operation*

The delivery season at the Easy Bean CSA lasts about 18 weeks. Each week members receive a box with a variety of seasonal produce, usually about 12 to 15 items. Mike bases the quantity of produce in each box on what he thinks a family with two adults and two children could eat in a week.

Providing a good variety of produce

consistently each week requires sound planning and good organization. Mike uses a spreadsheet to plan out planting and harvest times and to keep track of the logistics of his CSA. Harvested produce is weighed each week. Mike keeps careful yield records from each standardized bed (5 feet wide by 240 feet long). Because he knows what a bed should yield for each of his crops, he can detect lower than average yields and try to identify the cause, even before there are visible symptoms on the plants.

Mike uses annual member surveys to aid his planning for the next season. His survey results are usually split about 50/50, with half of his customers wanting standard produce like tomatoes, carrots, potatoes, etc., and others asking for greater variety, and more exotic foods in their weekly shares. He tries to create a balance between the two, packing boxes with mostly standard items, but throwing in some Asian greens and other more exotic produce. If they have a bumper crop of a particular vegetable, members receive an extra portion. They take into consideration the aesthetics of the share contents—color and diversity of in-season produce—and the nutritional value. The most popular items are tomatoes and sweet corn, though Mike has found that sweet corn is not very economical for a CSA to grow. Mike cooperates with another farmer, providing the land to grow the flowers for a flower CSA called Easy Bloom. Their customers can pay a little extra for their share and receive flowers in each of their weekly boxes.

A CSA is a very labor- and time-intensive operation. Early in the season most of Mike's time is spent in a greenhouse, planting and tending seedlings that will later be transplanted. He does field preparation in the early spring—spreading compost, primary tillage, bed preparation. Later, when the soil is warmed up, he is busy transplanting young seedlings, then cultivating, mostly by hand and some with a tractor, then mulching. Mike plants cover crops in the fall to control erosion and act as green manure to increase soil fertility in the spring. Mike shares with neighbors some equipment that is only used a few times each

year. He spends a significant amount of time during the growing season pruning tomatoes and Brussels sprouts. Mike walks the fields daily, checking for pests and other problems, and treats pests when necessary with biological controls like *Bacillus thuringiensis* (Bt).

Each summer Mike and Malena hire four apprentices that live on the farm for the summer. They help with most chores on the farm, learning valuable skills in the process. Mike also shares labor with friends and neighbors, who take turns helping out on each others' farms as needs arise.

Weekly share deliveries begin in June. On Tuesdays and Thursdays you will find Mike, Malena, and co-workers harvesting, weighing, washing, and packing produce. Produce is washed in a separate washing facility in a shed. They have drop-off sites in Morris, Montevideo, Milan, Wilmar, Minnetonka, the Linden Hills and Seward neighborhoods in Minneapolis, and one in St. Paul. Mike does rural delivery on Tuesdays, which takes about two hours. Every Friday two people load the delivery truck and depart for the Twin Cities at 4 a.m., finishing with CSA and wholesale deliveries by noon, before making the 2 1/2-hour drive back home.

Like many CSA farmers, Mike does some things at Easy Bean that are not typical farm chores. With each weekly share, he includes a newsletter with recipes and information about what is happening on the farm, as well as some of his philosophy about Community Supported Agriculture. Although he does not offer a "working share" as some CSAs do, his customers are always welcome to come out to the farm. Some members come and help out over a weekend and many members attend either the spring or fall party Mike has out at Easy Bean.

#### *Pricing and Marketing*

The price of a 2006 CSA share in Easy Bean farm was \$465 for someone living in the Twin Cities and \$445 for someone in the Morris area. Mike figures that in a normal year, their members are getting vegetables for the same wholesale price that food cooperatives pay for produce. Mike crunched numbers and initially thought

he would need at least 90 members to earn his desired profit. Their net income in 2004 with 112 members was about \$22-24,000, which he thought was fine for them growing their own food and living in Milan. His plan at that time was to grow the CSA to 150 members. Demand for the CSA shares presented an opportunity for further growth, however, and Easy Bean met the challenge. There were 230 shares in 2006, which provided Mike and Malena a gross income of \$93,000 and a net of \$42,000. The CSA is growing further to 250 shares in 2007, and Mike plans to grow it to 300 shares over the next two years. Most new members come from referrals and word of mouth. They have advertised in the City Pages, a weekly free Twin Cities newspaper, and they have five to six new customers sign up each year as a result of his attending the Living Green Expo in St. Paul and being listed in the Land Stewardship Project's CSA directory. Over the years, Mike has steadily built up a viable, successful operation.

#### *Future Direction and Words of Advice*

Mike would like to see a thorough study of the economics of CSAs, as he has seen several fail in the past few years. He thought that the cost of acquiring land was likely a major barrier for many CSAs and advised farmers to rent land if they don't already own it. He believes that being as debt free as possible is crucial for a successful CSA. Renting land, at least initially, also means that there is less risk involved. They were given the land for Easy Bean, which he thinks was crucial for their success. He said it is important not to be undercapitalized. There are many unforeseen costs associated with a CSA, and it is important to have money on hand for whatever may arise. It is important to know what you need to accomplish in order to make a profit. It's also helpful to learn how to do the work required for maintenance of the farm, such as welding. Mike suggested learning to do as much on the farm yourself as you can.

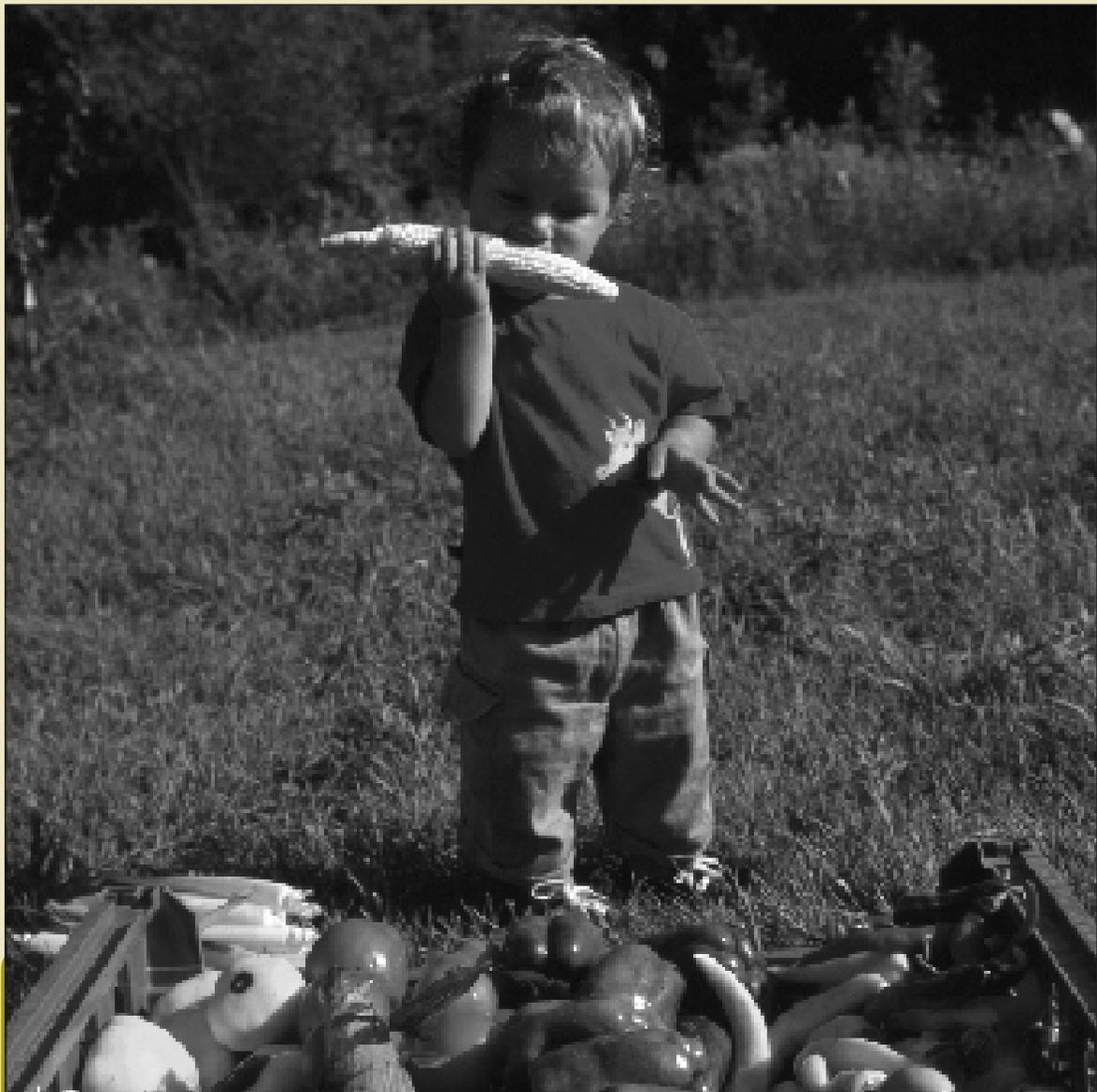
In retrospect, Mike feels that he could have been more careful when deciding what kind of equipment he needed. For example, he mentioned that farmers starting a CSA often get stuck in a "one acre mentality." As their CSA grows, they buy the least expensive equipment

that they can while still meeting the needs of increasing their acreage in production. However, if you plan to move from one acre to ten acres over a few years, it will probably be more cost efficient to buy the equipment early for ten acres, rather than upgrading each year. Farm equipment quickly depreciates in value.

He found that the learning curve was very steep when he first began operating his CSA, and mistakes were common. "That's where most of our knowledge has come from, just literally doing it wrong." Mike felt that his apprenticeship was invaluable in helping him develop a successful CSA. "There's nothing like an apprenticeship to give you an idea of how much

work it is, and what the fun parts are, and to just get a feel for the season." He also suggested networking with other farmers who have experience with CSAs or vegetable production. He attended the Upper Midwest Organic Growers Conference, and received a large amount of help from farmers he met there.

Though Mike and Malena have thus far built a successful CSA, they have plans to keep moving forward. They would like to continue planting trees and restoring prairie on their 120 acres. They also want to add an education program on their farm.



EASY BEAN CSA

PHOTO BY KRISTI LINK FERNHOLZ

# AGRITOURISM

For most farmers, marketing consists of getting their products to the consumer. Some have found that it is also possible to bring the consumer to their product. Entertainment and tourism-based farming enterprises can take on many forms, but they do often share a few characteristics.

A wide variety of activities could work for an agritourism enterprise. These activities are intended to entertain people visiting the farm, but there is an educational aspect to them as well. Only a small percentage of United States residents live on farms. There is tremendous interest in farms among people who live in

urban areas, smaller towns, and even nonfarm rural residents. Many people remember visiting a relative's farm as a child, and they want their own children or grandchildren to have that kind of experience. Getting customers involved with activities on the farm can help to foster a sense of connection to their food and those who produce it. Agriculture that serves peoples' desire for recreation is a way to connect an agricultural enterprise to the surrounding community and help people renew their connection to that community as well as to nature and to their food. Agritourism provides an excellent educational opportunity.

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## Choosing an Enterprise

Before deciding on a specific enterprise or event, consider your motivation for moving into agritourism. Are you seeking to improve profits, make a deeper connection to your consumers, provide a valuable community service? Consider what both your farm and your community have to offer. If there is a lot of interesting history in your area, then tours or hayrides may be a good idea. Access to rivers and lakes may provide you with a good start on a guided fishing operation or canoe trips. See if you can team up with other businesses in your area to capitalize on the uniqueness of your region. Agritourism is a rapidly growing area, and there are numerous resources to help you assess your farm and community assets and consider how an enterprise on your farm might play into a "regional flavor" theme.

Your location is critical. There is a limit to how far people are willing to travel to visit a farm, but the limit depends on what kind of activities, events, educational and other opportunities are offered. A farm located close to a town or city may be quite successful hosting a harvest festival, while someone located much farther away would not. A farm with a remote location, however, may be perfect for a bed-and-breakfast, as people seeking a retreat or short vacation don't mind putting some distance between them and the city. Contact your local chamber of commerce for help finding information about how much traffic there is in your area and how far customers are willing to drive for certain activities. The Explore

Minnesota regional representatives and the University of Minnesota Tourism Office can also help you estimate customer demand for certain activities. These groups may also be able to help you determine whether a proposed agritourism enterprise in your region would be feasible and direct you toward area resources. An online fact sheet from the University of California's Small Farm Program can help you profile the customers you are seeking and what they would most likely enjoy in a trip to your farm.

As always, talking with other farmers is a good idea. In addition to giving you insight about potential customer demand, farmers managing similar operations can tell you what type of regulations apply, and how they address liability issues. If other farmers in your area are working on similar projects, you may want to find out how much competition you will be up against, or if you can work cooperatively to market your enterprises.

Talking to other farmers with entertainment enterprises is also a good way to find out how much time and effort will be required for different enterprises. Hosting an annual barn dance or rodeo requires intense periods of work, but it is a temporary commitment. A petting zoo or horseback rides will require a continual commitment. You can set hours to allot a specific amount of time for your enterprise, but this must be balanced with customer demands and convenience.

## Getting Started

Once you have settled on an idea, before you even begin preparing your farm physically for the new enterprise, you'll need to do some serious planning. Start by contacting your local authorities to see what you will need to comply with local and state ordinances (see the Local Regulations section on page 80.)

Agritourism means inviting the public into your personal and professional space, so you will need to set up some ground rules for yourself to help you manage your customers and avoid burnout. Ask yourself what hours you want to be open, how many days a week, and so forth. Will you accept visitors by appointment outside of those hours? Will you need to hire help to take care of all of the work? If you are managing a bed and breakfast, how will you handle reservations, payments and cancellations? If you are having hay rides, how many people will be able to go at once, and how often will you take a ride? If you have an archery range, will you have an age limit or require adult

supervision with children under a certain age? Another important aspect of your rules and regulations deals with risk management. Some agritourism ventures carry a higher risk than others of injury to your customers. Horseback riding and rock climbing are examples of high-risk activities. Just the presence of visitors on your farm, though, is a risk to you that requires some liability insurance coverage. Be sure to speak with your insurance provider about any possible additional coverage you may need. See the Liability section (page 91) for more information about limiting risks to your customers and to yourself. This is also another good time to speak with those who are already involved in such an enterprise and learn what problems they have encountered. The Minnesota Grown directory ([www.minnesotagrown.com](http://www.minnesotagrown.com)) lists farmers with a variety of agritourism enterprises. Check that directory to find people who are already doing something similar to what you want to do.

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## Marketing

The success of your enterprise will hinge upon two things: getting your name out to the public and attaching a good reputation and image to that name. There are lots of ways to accomplish both of these tasks. This is the time to take advantage of all your community contacts and networks!

### Design a logo

Develop an attractive brochure with directions to your farm. Create business cards for your enterprise and hand them out at every opportunity. This is not the time to be shy! Word-of-mouth is a very useful advertising technique for farm-based businesses.

### Use the Internet

There are a number of websites that allow you to list your agritourism enterprise in a directory

that is available to the public. Some of the sites offer free listings, while some charge a fee. You can also develop your own website. Templates for web pages are available that make it quite easy to develop a site. The University of Minnesota Extension Service offers assistance with this kind of marketing (see Resources for Internet Marketing, page 106).

### Get involved in your community

Join your local chamber of commerce or other microenterprise groups and work with them to coordinate with other tourism enterprises in your area in developing a "regional flavor" campaign. Volunteer to make presentations on behalf of your community's attractions and offer your farm as a meeting place for local organizations. Display materials from local sites of interest in an attractive space on your farm.

### Make use of tourism organizations and conferences

Those that work with “green tourism” such as Green Routes; the University of Minnesota Tourism Center, which sponsors the annual Minnesota Sustainable Tourism Conference; the University of Minnesota Regional Sustainable Development Partnerships; and Explore MinnesotaTourism offer assistance and resources (see Resources for Agritourism at the end of this section).

### Work with the media

Local radio, newspaper, and television reporters are always on the lookout for good stories, so help them out by contacting them with your

story! The tourism organizations mentioned above can also help you work with the media to get information about your farm out to the public. The Renewing the Countryside website has an online media toolkit with fact sheets that provide tips for working with the media and writing a press release, as well as ideas for creating media events and other promotion materials for your farm.

Media attention, logos, and fancy brochures won't insure a successful enterprise if you don't provide a quality product and outstanding service. At a minimum, you must have clean and safe areas and equipment, anticipate customer needs, and provide knowledgeable, friendly customer service. To distinguish your operation, consider little “extras.”



THE BROODIO AT MOONSTONE FARM

## DETAILS THAT MAKE A DIFFERENCE

- Exceptionally clean, neat, and photogenic surroundings
- Convenient and clean bathroom facilities with a place to change diapers
- Safe and fun play areas for children
- Seasonal decorations
- Free coffee, tea, or hot chocolate
- A well-stocked first aid kit handy for those inevitable minor mishaps
- Accessibility for people with varying physical abilities

Getting repeat customers is one key to a successful agritourism venture. Repeat customers—the people who keep coming back—not only provide you with a secure customer base, but they are also likely to spread the word about you to their friends and family. Changing decor or themes regularly gets customers to come back to see what you’ve got this week, or this month, or this season. You could offer weekly specials on various products, for example. One expert in superior customer service used humorous signs for reserved parking spaces that he changed frequently, such as “Reserved for mothers who have more than four children” or “Reserved for those who ate five fruits and vegetables yesterday.” Minnesota’s changing seasons are an asset to agritourism: You could feature springtime fruits and vegetables, canoeing or fishing in the summer, corn mazes and pumpkins in the fall, and sledding or sleigh rides in the winter.

Another key to a successful agritourism enterprise is offering people a variety of ways to spend their money on your farm. If you have an apple orchard, for example, you don’t have to just offer fresh apples for sale. You might also sell apple jelly, apple butter,

apple pies, apple cook-books, and arts and crafts featuring apples. You could have a guided tour through the apple orchard—maybe it’s a hayride tour—and charge a fee to take the tour. You could have a demonstration of pressing apple cider and offer cider for sale. You could host a weekly demonstration of apple-related things—how to make a doll with a dried-apple head, how to make applesauce, how to plant your own apple tree—and charge an admission fee to attend the demonstration.

Are you ready to open for business? One way to test your readiness is to host a trial event or weekend for friends and family. They can even do some role-playing to help you figure out ways to make things flow smoothly for your customers.

Agritourism is a great way to earn income from your farm while providing people with an enjoyable outing. It requires a very high level of customer contact and can be time-consuming, but also can be profitable. Besides good profit potential, agritourism can be enjoyable for the farmers as well as their customers.

## SOME THINGS TO CHECK BEFORE YOU OPEN

- Are direction signs adequate to help people find your farm?
- Can people move easily between your parking area and the area where things are happening?
- Are there any hazards or debris that you missed that need to be cleaned up?
- Are bathroom facilities well marked?
- What will you do if a child scrapes a knee or pinches a finger, or if a customer has a more serious health emergency?

## IDEAS FOR AGRITOURISM ENTERPRISES

- Agriculture food and craft shows
- Animal feeding, animal birthing
- Archery range
- Guided nature walks (rock collecting, bird watching, other wildlife viewing, stargazing)
- Wildlife habitat restoration/improvement projects
- Historical tours or hayrides
- Barn dances (square dances or other folk dances)
- Harvest festivals
- Hay rides/sleigh rides
- Bed and breakfast (rural and historical)
- Boating, canoeing, kayaking
- Camping/picnicking
- Corporate picnics
- Weddings
- Elder hostel
- Family reunions
- Farm or ranch work experience (roundup, haying, fencing, calving, cutting wood etc.)
- Fee hunting
- Fee fishing (ice fishing in winter)
- Food festivals
- Floral arranging, wreath making
- Fly fishing and tying clinics
- Guided crop tours
- Guiding and outfitting
- Horseback riding
- Historical displays (ag history, machinery, etc.)
- Outdoor games (paintball, laser tag)
- Haunted house/haunted woods
- Hunting dog training and competition
- Mountain biking, hiking, cross-country skiing
- Petting zoo
- Photography/painting
- Rock climbing
- School and educational tours and activities
- Tipi building
- Trap and skeet shooting
- U-Pick operations (fruits, flowers, vegetables, Christmas trees)

Source: Compiled from: "From A to Z: Potential Enterprises for Agricultural and Nature Tourism," The University of California Small Farm Program and "Taking the First Step: Farm and Ranch Alternative Enterprise and Agritourism Resource Evaluation Guide," NRCS Alternative Enterprises and Agritourism

## Resources for Agritourism

### General Resources for Agritourism

Northeast Beginning Farmers – Agritourism Blog. 2010. <http://nybeginningfarmers.org/wordpress/resources-2/marketing/agritourism/>. Includes links to agritourism resources developed during 1998 - 2001 at Cornell University through a NY Sea Grant; as well as other agritourism resources.

Taking the First Step: Farm and Ranch Alternative Enterprise and Agritourism Resource Evaluation Guide. <http://resourcesfirstfoundation.org/aea/>. This online guide was previously available in print or as a PDF from the Natural Resources Conservation Service (NRCS), but has been converted to an interactive online planning guide. The guide takes you step by step through evaluating your resources, exploring agritourism alternatives, and planning your enterprise.

Agritourism Resources from the Small Farm Program at University of California-Davis. <http://sfp.ucdavis.edu/agritourism/>. The website includes a series of fact sheets on topics ranging from “Assessing Your Assets” to “Top Marketing Ideas for Agri-Tourism Operations;” as well as a how-to manual for starting an agritourism enterprise and other resources.

### Minnesota Agritourism Resources

Green Routes. 2010. 2105 1st Ave S, Minneapolis, MN 55404. (866) 378-0587. [info@greenroutes.org](mailto:info@greenroutes.org). [www.greenroutes.org](http://www.greenroutes.org). Green Routes glovebox maps and online web pages list regional small businesses that are rooted in their communities: farms, restaurants serving local food, artisans, and regional sites of interest.

University of Minnesota Tourism Center. 120 BioAgEng Building, 1390 Eckles Avenue. St. Paul, MN 55108. [www.tourism.umn.edu](http://www.tourism.umn.edu). Agritourism contact: Kent Gustafson. (612) 625-8274. [kgustaf@umn.edu](mailto:kgustaf@umn.edu). The Tourism Center website contains Minnesota visitor profiles, information about the spring sustainable tourism conference, and contact information for Extension educators working on tourism in your region.

Explore Minnesota Tourism. 100 Metro Square, 121 7th Place E, St. Paul, MN 55101. (800) 657-3535. [industry.exploreminnesota.com](http://industry.exploreminnesota.com). Explore Minnesota Tourism has staff in St. Paul, Mankato, Duluth, Brainerd, and Thief River Falls who work closely with communities and businesses interested in tourism development.

Public Relations and Marketing Toolkit. 2005. Renewing the Countryside. Available online or from: Renewing the Countryside, 2637 27th Ave S, Suite 229, Minneapolis, MN 55406. (866) 378.0587. [info@rtcinfo.org](mailto:info@rtcinfo.org). [www.renewingthecountryside.org](http://www.renewingthecountryside.org). Click on “Special Projects” in lefthand column, then click “PR Toolkit.” This public relations kit contains easy-to-use tools: press release templates, fact sheets, and resources to publicize your farm, ranch or rural business.

(Verified 12/2010)

## MINNESOTA WINERIES

Mention locally grown Minnesota wine to someone and their response is likely to be, “Grapes can grow in Minnesota?” Who knew! Apparently David Bailly did, since he confidently planted grapes into a 20-acre field of rye just outside of Hastings in 1973. The Alexis Bailly Vineyard sold its first wine in 1979 under the motto “Where the grapes can suffer.”

Vineyards and wineries are wonderful agritourism destinations and they are springing up all over Minnesota. At Morgan Creek Vineyards near New Ulm, a stop on a recent agritourism press tour, Paula Marti said that when they began selling in 1999, they were the fifth winery in Minnesota. In 2006 there are 21. Aided by a

University of Minnesota grape breeding program, one of only four in the country, and the hiring of a University of Minnesota enologist, vintners now have several new Minnesota-hardy varieties to grow; plus access to wine-making research at the new facility near the Landscape Arboretum in Chanhassan, Minnesota.

Winemakers are realizing that in addition to increasing demand for their wine, there is also interest in experiencing the “sense of place” inherent in wine-making, so the wineries and vineyards themselves have become popular tourist destinations. Minnesota wineries typically host wine tastings, but many now also offer regular

tours of their operations and some have built inviting sitting areas with scenic views of the vineyards. Paula and Georg Marti of Morgan Creek created a European ambience by adding an outdoor wood-fired oven for baking artisan flatbreads and gourmet pizzette to serve on their scenic patio on monthly musical jazz nights.

Special events and festivals are also big draws for wineries, and the annual “Cambria Crush” grape stomp competition in early October at Morgan Creek draws hundreds of visitors. The Three Rivers Wine Trail promotes six Minnesota wineries and a vineyard/nursery all located within the St. Croix, Mississippi, and Cannon River Valleys.

And if you think grapes are fine for southern Minnesota, but won’t work in northern Minnesota, talk to Two Fools—really! Two Fools Vineyard and Winery, about 10 miles south of Thief River Falls, has the distinction of being the northernmost Minnesota winery. Most wineries purchase grapes from other area growers, and the demand is growing.

For more information on Minnesota wineries and grape growing, visit the Minnesota Grape Growers Association site at [www.MNgrapes.org](http://www.MNgrapes.org) and the U of MN cold hardy grapes site at [www.grapes.umn.edu](http://www.grapes.umn.edu).



MORGAN CREEK VINEYARD

**Profile: The Broodio**

*Moonstone Farm,  
Audrey Arner and Richard Handeen  
Montevideo, Minnesota  
<http://www.prairiefare.com/moonstone>*

Audrey Arner and Richard Handeen operate a century farm, one that has been in Richard's family since 1872. They have managed a grass-based cattle herd since 1993 and since that time have successfully direct-marketed their natural grass-fed beef through restaurants and their website, [www.prairiefare.com/moonstone](http://www.prairiefare.com/moonstone). When they returned home to their Montevideo farm after a 1997 tour of how sustainably grown products were being marketed in Europe, they decided to add another enterprise to their diverse operation—and began planning to enter the agritourism business.

They live in a beautiful area of the Minnesota River Valley with easy access to terrific birding and hiking trails, and great boating near the confluence of the Chippewa and Minnesota Rivers. They were motivated by a desire to share their love of the land and the prairie with others, so they decided to open a small “bed and bagel.”

Audrey gathered information from several sources: Kent Gustafson at the University of Minnesota Tourism Office and friends associated with agriculturally based tourism in Italy and England. In 1998, they created a cozy one-room cottage by remodeling an old brooder house on the farm which had more recently been used as Audrey's painting studio. “The Broodio” was born. Visitors experience life on a small farm in West-Central Minnesota and can also learn about issues in perennial polycultures, grass-based livestock, and local food systems. In cool seasons, the fresh air at Moonstone Farm is tinged with the faint scent of wood burning in the Broodio's stove. The landscape is a diverse mix of tree species and sizes, with a small pond and a creek running through the middle of the farm. The Broodio offers people a place for solitary retreat as well as access to a vibrant rural community.

*Current Operation*

In a typical year Audrey and Richard host 30 to 40 guests, many of whom return periodically. The Broodio is licensed for lodging through the Minnesota Department of Health, which has a local office in the nearby town of Benson. Though Audrey was initially a bit intimidated about having to go through the licensing process, she found the Department of Health very easy to work with. The lodging license requires yearly inspections, which include water testing. Audrey and Richard also purchased additional liability insurance after getting the Broodio underway.

Guests check-in late afternoon and receive an orientation to the Broodio, its amenities and surroundings, the bathing facilities located in the house, hiking trails, the pond complete with canoe, and some instructions on how to use the state-of-the-art woodstove. After seeing what the farm has to offer, guests usually like to burrow in and make the place their own. Audrey and Richard love to refer guests to their favorite area restaurants, historic sites, musical venues, and scenic and natural areas. Audrey said, “Some people are coming and going all the time and some people just hunker in.” Most guests stay a night or two, some stay a week. In the morning, guests receive a basket filled with muffins or bagels, local butter, and preserves, and have ongoing supplies to make their own coffee, tea, or hot chocolate. Because they don't have a separate kitchen facility, Audrey and Richard cannot cook breakfast for their guests (hence “bed and bagel” designation).

Guests can also sample Moonstone Farm beef and cheese. In 2003 Audrey and Richard remodeled the original carriage house and started an on-farm “shoppe” where they sell their own and family members' artwork, as well as their own and others' Pride of the Prairie food items, so guests can take some of the prairie with them when they leave! “That's a convenient aspect of having multiple enterprises,” Audrey said.

The Broodio is open year-round, with

maintained cross-country ski trails along the creek and around the farm in the winter. Though business slows in the winter, the Broodio is popular for the holidays or as a mid-winter retreat. In addition to the skiing and hiking offered on the farm, Audrey and Richard often send people to the Minnesota River Trail around Montevideo or to Lac Qui Parle State Park.

Richard and Audrey spend about an hour on routine housekeeping chores following a guest's stay. In addition, they hire someone to help them thoroughly clean the Broodio once a month. "You have to have an elevated level of cleanliness and attention to detail, in order for all your guests to be comfortable," Audrey said.

#### *Marketing and Pricing*

Promotion of the Broodio is mostly by word-of-mouth, Moonstone's website, and the farm brochure. They have had good publicity through news articles, and the book, *Renewing the Countryside*. The price for a night at the Broodio is \$75. In determining the price, Audrey said they "thought about what's affordable for us, or what would be really appealing for us."

Audrey and Richard also actively coordinate with other area businesses to promote the Montevideo area and the Upper Minnesota River Valley. Referrals to the Broodio from area businesses make up a large portion of Audrey and Richard's business. When their guests are looking for good food or coffee, they often send them to Java River, a restaurant in Montevideo that features locally grown food and the work of local artists. A willow chair inside the Broodio was made by local furniture-crafters at Stony Run Woods, so guests often visit that furniture shop. The class schedule for the Milan Village Arts School lists the Broodio among places for students to stay while attending classes at the school. The area has many resident artists and the region now hosts an annual "Meander-Upper Minnesota River Art Crawl" in early October, a self-guided tour of over 50 artist studios that features the region's art, culture, and natural beauty. This kind of coordinated effort to entice people to the region builds vibrant rural communities.

Recently, Moonstone has been included in a Green Routes pamphlet (and website [www.greenroutes.org](http://www.greenroutes.org)) which show maps highlighting establishments that produce or use local food in the Upper Minnesota River Valley. This mapping effort helps visitors connect the dots and plan a "green" vacation in the area.

#### *Future Direction and Advice*

Audrey's advice to others thinking of starting a bed and breakfast is to "think in terms of what kind of feeling you want to create." It's a good idea to pencil out your plans and to figure out what kind of return you will be able to get on your investment. Moonstone Farm continues to evolve and Audrey and Richard are considering the possibility of adding some more buildings for housing. During the summer several interns stayed in a remodeled granary that they are considering turning into a full-time guesthouse. They have also thought about adding a separate cooking facility so they could host local, sustainable gourmet meals and better accommodate the occasional large events they host.

Though life on the farm became a little busier with the Broodio, the benefits seem to have outweighed the added responsibilities. Audrey said, "There are a lot of incidental conversations that happen about the transitions we've made in our farm over the last 30 years or so, about grass-based livestock, about prairie culture." The guests who stay at the Broodio come for many different reasons. An acquaintance of Audrey's said, "In this new century the most valuable commodities to people who live in cities and have a certain pace to their lives...are privacy and quiet." Ironically, some people who have become accustomed to the noise and commotion of the city have actually found it difficult to sleep in the quiet and solitude offered at Moonstone Farm. But as Audrey said, "Nobody complains about the stars, though—that there are too many stars." The prairie sky at night is something to behold.

**Profile: Nordic Ridge Gardens**

*Gene Eklin  
Bovey, Minnesota  
www.nordicridge.com*

Located between Grand Rapids and Hibbing, Minnesota, on the edge of the Mesabi Iron Range, Nordic Ridge Gardens features a pick-your-own strawberry field and a fall pumpkin patch with a variety of fun activities, and is just beginning to offer some winter activities.

Nordic Ridge was a dairy farm until 1986. Owner Gene Eklin reports that as soon as the cows were sold and left the farm, he started looking for a new way to use the farm. The strawberry enterprise began in 1990. Pumpkins were added later, and that part of the farm grew slowly. He started out just selling the pumpkins, but gradually added the other activities that today make Nordic Ridge into an agritourism destination.

*Current Operation*

Strawberries are grown on ten acres. When the berry enterprise began in the early 1990s, most people who came thought of it as a grocery stop. They were there primarily to buy the fruit. That has changed. Now visiting the berry patch has become more of an outing for people. Gene said that if customers like your berries and like your farm, it's worth the drive to them. He has customers who pass by other pick-your-own places to come to his farm. They are "berry tourists;" people who want to pick berries, but who want to do it at a place that gives them a good experience.

For the "Fall Adventure at the Pumpkin Patch," the farm is divided into three segments: the retail area, admission area, and hayride. The retail area is inside and around the converted dairy barn. That whole area and especially the inside of the barn are attractively decorated and photogenic—Gene says that customers have taken thousands of photos at his farm. Fall décor, pumpkins, and squash are sold in the retail area where there is no admission fee. The admission area includes a picnic area and playground, a 5-acre corn maze, and another

maze constructed in the hayloft of the barn. There is also a tube slide from the hayloft down to the ground. The admission fee to this area of the farm is \$5 per person. The hayride is a 20-minute tour of the farm, including a wooded area. The tour route takes customers past 15 scarecrow scenes that are painstakingly constructed by Gene Eklin and his employees prior to the start of their pumpkin season. A tractor-pulled ride costs \$2.50 per person and a horse-pulled ride costs \$5 per person.

Nordic Ridge is in a very rural area, not close to any major town. Gene said that was a hindrance for selling pumpkins as a commodity. When he changed from selling pumpkins to selling an experience, though, he found that his rural location was not a barrier. People would drive to find him so that they enjoy what he had to offer. The actual product—the pumpkin—was the least profitable part of the total sale. Where he really added value was in giving people a good experience on the farm. Now he gets about 10,000 visitors per year to the pumpkin patch, including about 4,000 children from 40 area schools. Nordic Ridge regularly attracts visitors who drive 100 miles to get there.

*Marketing*

The most important advertising tool for the strawberries is Gene's mailing list of 3700 people. He sends out postcards at the start of strawberry season. Timing of the mailing is important, because people start coming to the patch the very hour that the postcard arrives in their mailbox. Pre-picked strawberries are sold at farmers' markets in Grand Rapids, Hibbing, and the University of Minnesota - Duluth campus. The farmers' markets help to entice customers out to the farm. People will buy berries at a farmers' market, then decide they want to come to the farm to get some more.

Mailings don't work well for the pumpkin patch, because it is a different clientele. Most of the berry pickers are older people. The majority of the pumpkin patch visitors, aside from the school tours, are parents with young children. Gene has found that television is his most effective way to advertise the pumpkin patch. He advertises on Duluth and Iron Range

stations. He said that TV works for him because his products are eye-catching: it is easy to make attractive, appealing video shots of pumpkins, children playing, and horse-drawn hayrides. Being on TV also gives him a measure of credibility with parents. If he's on TV, people believe that his farm is a legitimate destination and are willing to make the drive to bring their children to the farm. He also has a listing on a Grand Rapids tourism website, [www.visitgrandrapids.com/](http://www.visitgrandrapids.com/), and is a member of the Grand Rapids Area Chamber of Commerce. He has a website that gets a lot of visits as well.

#### Labor

Gene worked at an off-farm job until 1996, when he transitioned to farming full time. The farm provides his salary, with most of his income earned from the strawberries and pumpkin patch. He hires six people during the summer to help him get ready for the fall pumpkin patch. There are endless details: construction of the scarecrow scenes, decoration of the barn, preparation of the corn

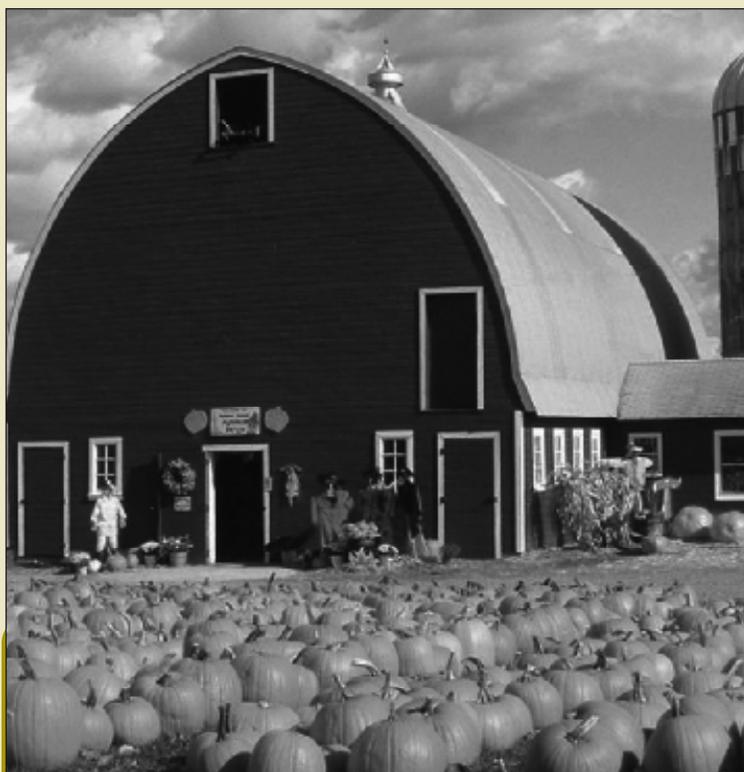
maze. Gene said that it's the details that really make his farm a tourism destination. Everything has to look perfect when the customers arrive. The photogenic nature of the farm and the displays is important to people and is part of the experience that they would not get by just buying their pumpkin at a big-box store. He hires four tour guides to help run the school tours in the fall, and also hires a driver for the horses. His employees are paid as well as he can possibly manage, and always better than minimum wage.

#### Liability

Nordic Ridge has a farm and ranch insurance policy with extra liability coverage for the agritourism ventures. There is also a separate liability policy for the horse-related activities. This is quite expensive and is one reason why the horse-drawn hay rides cost more than the tractor-drawn rides. Gene also takes care to eliminate as many hazards as he can from the areas that customers visit.

#### Future plans

Gene spends at least a couple thousand dollars per year traveling to other agritourism enterprises around the country and attending conferences to get new ideas. Most of those ideas, he admits, he will not implement; but they keep his enthusiasm level high. His latest venture is the addition of winter activities: a tubing hill with a warming shack and horse-drawn sleigh rides. He would like to get customers to return to the farm three times per year: in the spring to pick berries, in the fall to visit the pumpkin patch, and in the winter for tubing and sleigh rides.



NORDIC RIDGE GARDENS



# PICK YOUR OWN

Pick your own (PYO), sometimes called “U-Pick,” operations are one form of direct marketing with some agritourism added, or maybe they are agritourism with some direct marketing added! Customers come to pick-your-own places not just to buy the freshest possible fruit and vegetables, but also for the experience. Successful PYO farmers see their farms not just as land producing a crop, but also as a destination.

At a PYO, customers come out to the farm. The farm provides the tools they need (often just a bucket) and instructions to pick in a designated area. Customers pay based on how much they pick. This benefits the farmer by saving on labor and packaging costs. The customers provide their own labor and take away fresh, raw, unpackaged produce. Customers benefit by getting the freshest possible produce for a lower price than they would pay at a retail store, and they also get an on-farm experience. Customers may come to a PYO because they want to buy large volumes of fruit at a reasonable price for their own home canning or freezing. This has especially been true of older customers, although some young families are also finding out that this is an inexpensive way to stock up on fruit. Other customers are coming out to PYO patches for the experience. The PYO for them isn't just about buying groceries, it's about feeling connected to the source of their food.

A PYO patch can blend well with other enterprises. One of the main considerations in starting a PYO is the amount of time it takes during the picking season. Many PYOs are open seven days a week with long hours during the picking season. If you don't want to be out in the field yourself all that time, you need well-trained and responsible workers to be there. Adding a berry PYO to an existing market garden might be tough if you are short on labor. If your other farm enterprises have a busy season that falls outside of the picking season, a PYO might be a good option.

Running a PYO means lots of customer contact. You have to enjoy interacting with people and

not mind them tromping around in your fields. You need to be willing to adapt your field operations to customer picking times. For example, irrigating and weeding will probably need to be done in the late evenings or early mornings when customers are not there. You have to be willing to keep hours that are convenient for customers, which usually means that you will work constantly on weekends during the picking season.

Besides managing the land and the PYO crop, you need a number of things to help you manage your customers:

- Parking area that is large enough to accommodate your customers and provide safe turning and entry and exit areas.
- Cheerful, knowledgeable seasonal workers to assist customers, supervise the picking, and check people out.
- A marketing and advertising plan that gets the word out quickly when crops are ready to be picked. Some PYOs put up posters in area businesses; some use radio, TV, or newspaper ads; and some send out postcards to an established customer list. You should also have a telephone answering machine message that gives routine information such as hours, price, and directions to the farm. This information can also be given on a website.
- A system to mark which rows or areas have already been picked recently, so that you can direct customers to good picking and make sure that your whole crop is being harvested as it ripens. Some PYOs use a system of colored flags in the rows. One color means “already picked,” another color means “ready to pick.”
- A standard for measuring the amount picked. Some PYOs supply the containers. Others allow people to bring their own plastic buckets and charge by the bucket. If you are charging by the container, you need to tell your customers what you

consider a “full” container. Some PYOs charge extra for a heaped container. Another option for measuring is to have a trade-legal scale, weigh the picked produce, and charge per pound.

- A plan for dealing with customer problems. What if someone starts having a health emergency in your patch? What if you get a belligerent customer? Having a cell phone with you in the patch might be a good idea if the patch is not near a building with a phone.
- Management of your liability, both for your customers and for your hired help. You should talk to others who run PYOs about how they manage their liability. Liability insurance coverage for farm direct marketing varies greatly among insurance

companies. If the coverage or the cost sounds unreasonable from one company, shop around. See the Liability section, page 91 in this publication, for more information.

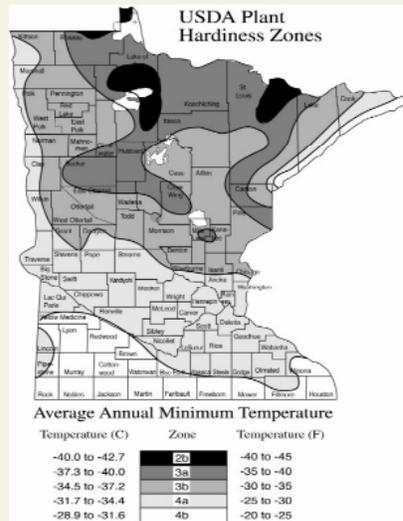
If you are considering starting a pick-your-own patch, how do you decide which crop to grow? Berries (of all kinds) are the crop that most people think of when they think of pick-your-own, but other possible crops include rhubarb, asparagus, apples, pumpkins, Christmas trees, and hazelnuts. There is a lot of information available about how to plant and care for all the typical PYO crops, but the information is scattered through dozens of publications. To help you sort it all out, here are some tables and charts that will let you compare the picking season, planting requirements, and yields for common PYO crops.

### Picking Season

Picking season for various crops begins earliest in the southern part of the state and, as you might expect, gets later as you go north. The seasons in the following chart are for USDA climate zone 4a, which includes the Twin Cities Metro area. Each climate zone is about a two week difference in the season, so those in zone 4b can expect their season to begin about two weeks earlier than the chart shows, and those in zone 3b can expect their peak season to begin about two weeks later. Season length can vary greatly depending on the weather and on the crop variety, so the numbers given are just estimated averages.

Picking Season for Common PYO Crops in Climate Zone 4a (from MDA Minnesota Grown Directory)

Crop	Season begins	Season length
Apples	mid-August	14 weeks
Asparagus	mid-May	6 weeks
Blueberries	early July	6 weeks
Raspberries	mid-June	6 to 8 weeks
Rhubarb	early May	20 weeks
Strawberries	early June	8 weeks



USDA Plant Hardiness Zone Map. Source: <http://www.extension.umn.edu/yardandgarden/MG/USDAZonemap.html>. (verified 12/2010)

## Yields and Lifetimes

The common PYO fruit crops are perennials, which means that once planted they last for several years. The shortest-lived crop in the list is strawberry, which is seldom kept in production longer than five years. Apple orchards and vineyards can last for decades. All of these PYO crops require at least one year of lead time before you can expect to harvest a crop; some crops take five years or more to come into full production. If you don't want to wait to start your PYO, consider an annual crop like pumpkins or tomatoes that you plant and harvest in the same year.

Yields of common PYO crops and years to reach full yield

Crop	Yield of established crop (lbs./acre)	Years to full yield	Years in production
Apples	14,000	7	20 to 30
Asparagus	4,000	6 to 7	15 to 20
Blueberries	5,000	6 to 8	Up to 50
Currants & gooseberries	4,300 to 6,800	3 to 4	10 to 20
Grapes	6,000	4	Up to 50
Raspberries & blackberries	4,000	2	12 to 20
Rhubarb	20,000	3	8 to 10
Saskatoon berries	2,500 to 14,500	6 to 8	Up to 50
Strawberries	10,000	1	3 to 6

### Sources for Yields

Yield estimates for apples, asparagus, blueberries, grapes, raspberries, rhubarb, and strawberries: "Nutrient management for commercial fruit & vegetable crops in Minnesota," University of Minnesota Extension Service, [www.extension.umn.edu/distribution/cropsystems/DC5886.html#goal](http://www.extension.umn.edu/distribution/cropsystems/DC5886.html#goal); saskatoon: "The basics of establishing and managing a saskatoon orchard," University of Saskatchewan Native Fruits Development Program, [www.ag.usask.ca/departments/plsc/nfdp/production/factsheets/Saskatoon/stoonfacts.html](http://www.ag.usask.ca/departments/plsc/nfdp/production/factsheets/Saskatoon/stoonfacts.html); (verified 12/2010)

Yield estimate for currants: "How to grow currants and gooseberries," University of Idaho Sandpoint Research and Extension Center, [www.uidaho.edu/%7Esandpnt/ribes.htm](http://www.uidaho.edu/%7Esandpnt/ribes.htm).

### Sources for years to full yield and years in production estimates:

2000 Apple Production Budget, The Ohio State University Extension, [www.agecon.ag.ohio-state.edu/people/moore.301/fruit/apple-5.pdf](http://www.agecon.ag.ohio-state.edu/people/moore.301/fruit/apple-5.pdf);

Asparagus Production Management and Marketing, The Ohio State University Extension, [ohioline.osu.edu/b826/b826\\_6.html](http://ohioline.osu.edu/b826/b826_6.html);

Blueberry production: overview, University of Idaho College of Agriculture, [info.ag.uidaho.edu/Resources/PDFs/CIS0932.pdf](http://info.ag.uidaho.edu/Resources/PDFs/CIS0932.pdf);

Growing grapes in Wisconsin, University of Wisconsin Extension Service, [www1.uwex.edu/ces/pubs/pdf/A1656.PDF](http://www1.uwex.edu/ces/pubs/pdf/A1656.PDF);

Rhubarb production in Alberta, Alberta Agriculture, Food and Rural Development, [www.agric.gov.ab.ca/agdex/200/254\\_20-1.html](http://www.agric.gov.ab.ca/agdex/200/254_20-1.html);

Red raspberry production, The Pennsylvania State University College of Agriculture, [agalternatives.aers.psu.edu/crops/redraspberry/RedRaspberry.pdf](http://agalternatives.aers.psu.edu/crops/redraspberry/RedRaspberry.pdf);

Brambles—production management and marketing, The Ohio State University Extension, [ohioline.osu.edu/b782/b782\\_34.html](http://ohioline.osu.edu/b782/b782_34.html);

The basics of establishing and managing a saskatoon orchard, University of Saskatchewan Native Fruits Development Program, [www.ag.usask.ca/departments/plsc/nfdp/production/factsheets/Saskatoon/stoonfacts.html](http://www.ag.usask.ca/departments/plsc/nfdp/production/factsheets/Saskatoon/stoonfacts.html);

Growing strawberries in Wisconsin, University of Wisconsin Extension Service, [www1.uwex.edu/ces/pubs/pdf/A1597.PDF](http://www1.uwex.edu/ces/pubs/pdf/A1597.PDF).

## Resources for Pick Your Own

Minnesota Farm Opportunities. [www.mda.state.mn.us/protecting/sustainable/mfo/mfo-fruit-veg.aspx](http://www.mda.state.mn.us/protecting/sustainable/mfo/mfo-fruit-veg.aspx). Retrieved December, 2010. This website provides keyword suggestions and Internet searching tips for a wide variety of fruits, nuts, vegetables, and specialty crops.

*Marketing Strategies for Farmers and Ranchers.* 2006 (rev). Sustainable Agriculture Network (SAN). Available in full text online or from: SARE Outreach Publications P.O. Box 753, Waldorf, MD 20604-0753. (301) 374-9696. [sarepubs@sare.org](mailto:sarepubs@sare.org). [www.sare.org/publications/marketing.htm](http://www.sare.org/publications/marketing.htm). This 20-page bulletin offers snapshots of the many alternatives to marketing commodities through conventional channels: farmers' markets; pick-your-own operations and farm stands; entertainment farming; Community Supported Agriculture (CSA) farming; cooperatives; restaurant or mail order and Internet sales. (verified 12/2010)

Renewing the Countryside. [www.renewingthecountryside.org](http://www.renewingthecountryside.org). This website has a number of profiles of PYO enterprises in Minnesota. Click on "stories" on the sidebar, and use the search feature on the website to find profiles. (verified 12/2010)

# ROADSIDE STANDS AND ON-FARM STORES

Roadside stands are similar to a farmers' market but feature just one farmer. They range from informal and unstaffed—a table of produce with a coffee can for money—to elaborate displays with professional staffing along busy highways. A stand may have one or two items, such as sweet corn or pumpkins and squash in season. Or, it could have a wide variety of products including fruits, vegetables, flowers, jams and jellies, baked goods, and craft items. An on-farm store typically carries a wider array of products than a roadside stand. The on-farm store may sell nonfood items such as crafts, books, and clothing, and is more likely than a farm stand to sell prepared foods such as baked goods, jerky or sausage, and cheeses.

Regulations for the food sold at farm stands and on-farm stores will differ depending on the location and the type of enterprise. If a farm stand is located on the farmer's own property, then the products of the farm are sold directly from the farm premises to the customer. This type of sale often does not require any licensing. Food handler's licenses are required if processed foods containing off-farm ingredients are sold; or if food

products not produced by the farmer are offered for sale. An on-farm store would be more likely than a farm stand to require a food handler's license. See the State Regulation section on page 81 for more information.

Township or county zoning ordinances or county public health ordinances may apply to a roadside stand or on-farm store. Early contact with local regulators can save you a lot of headaches and expense. See the Local Regulations section on page 80 for information about the kinds of things that may be regulated and how to contact your local officials.

Roadside stands can be a tourist attraction. "Traveling USA" is an online guide to travel and recreation that includes a state-by-state listing of roadside stands. Listing your farm stand is free at this website: [www.travelingusa.com/Food/Roadside%20Stand/index.html](http://www.travelingusa.com/Food/Roadside%20Stand/index.html). (verified 12/2010)

For more information about Minnesota agritourism efforts, see the Agritourism section on page 33.

## Resources for Roadside Stands and On-farm Stores

Agricultural Marketing Resource Center, Other Market Outlets. Retrieved December, 2010. [www.agmrc.org/business\\_development/operating\\_a\\_business/direct\\_marketing/other\\_direct\\_marketing\\_approaches.cfm](http://www.agmrc.org/business_development/operating_a_business/direct_marketing/other_direct_marketing_approaches.cfm). This webpage links to website resources on a wide range of topics including issues to consider before opting to market at a roadside stand and tips for running a roadside stand.

*Idea Plan: Roadside Markets, Stands, and Equipment.* Penn State Cooperative Extension. Publication no. IP 790-33. Available in full text online or from: Department of Agricultural and Biological Engineering, The Pennsylvania State University, 249 Agricultural Engineering Building, University Park, PA 16802. (814) 865-7792. [abeddept@psu.edu](mailto:abeddept@psu.edu). [www.abe.psu.edu/extension/ip/IP790-33.pdf](http://www.abe.psu.edu/extension/ip/IP790-33.pdf). Provides blueprint-type plans for building roadside stands.

*Roadside Stand Marketing of Fruits and Vegetables.* 2002. K. Wolfe, R. Holland and J.

Aaron. Publication no. CR-02-08. University of Georgia. Available in full text online or from: Center for Agribusiness and Economic Development, 301 Lumpkin House, University of Georgia, Athens, GA 30602-7509. (706) 542-2434. [caed@agecon.uga.edu](mailto:caed@agecon.uga.edu). [www.agecon.uga.edu/~caed/roadside2.pdf](http://www.agecon.uga.edu/~caed/roadside2.pdf). Contains specific information about roadside stands, such as estimating customer sales from traffic volume, but also contains a wealth of information about marketing, promotion, and customer relations that are applicable to any direct marketing operation. (verified 12/2010)

Marketing at Roadside Stands. University of Kentucky College of Agriculture. [www.uky.edu/Ag/CDBREC/marketing/roadsidestands.pdf](http://www.uky.edu/Ag/CDBREC/marketing/roadsidestands.pdf). Four-page fact sheet provides good overview of considerations for marketing via a roadside stand. (verified 12/2010)

**Profile: Peterson Produce Roadside Stand**

Jean Peterson and Al Sterner  
 8910 Highway 12  
 Delano, Minnesota

In 1982, Jean Peterson and Al Sterner decided to take their gardening to a new level, and explore direct marketing as a means of supplying their community with healthy and nutritious produce. They began their venture by selling at the Mound farmers’ market twice a week, at Meyer’s Dairy in Wayzata several days a week, and at a very small stand on their farm. On the second day they came to sell from their stand at Meyer’s dairy, they were greeted by a stop work order from the city. Though they had received permission from the Meyers to sell on their property, they found that they needed approval from the city council in Wayzata before they could market within city limits. They were fortunate that several of their customers let the city council know that they wanted this produce stand approved. By the end of the next city council meeting, Peterson Produce was officially approved and ready to start selling, again.

Business was good, but logistics were difficult. In order to be at the markets early enough for their customers, they needed to be up by 5:30 a.m. to harvest and clean produce, load the delivery truck, drive 10 to 15 miles and be set up by 9 a.m. They wanted to be able to focus more of their time and energy on the farm and on being good stewards of their land. Jean and Al felt that they had established a quality reputation and developed a core of regular customers. They had a highly visible prime location along US Highway 12 west of the Twin Cities, on a well-traveled corridor between the western suburbs and the city. They prepared to stop selling in Wayzata and open a larger stand selling directly off their farm. Two years prior to their move, they began letting their customers know that they would be moving all sales out to the farm. As they had hoped, many of their customers were willing to make the drive to get the fresh, sustainably produced vegetables that they were accustomed to buying in town.

*Current Farm/Stand Operation*

In fact, Jean and Al decreased their acreage in vegetable production from about 55-60 acres to 40 acres when they moved all sales to the farm. A few years ago they added bedding plants to their list of products, so that they could begin selling earlier in the season. Their farm stand is open seven days a week, 9 a.m. to 7 p.m., late April to October. They begin selling annuals, perennials, and flower baskets in early May, and sustainably grown vegetables in July—fresh daily harvests of sweet corn, peas, beets, green beans, herbs, tomatoes, peppers, onions, garlic, melons, and zucchini. In the fall, they encourage family outings to come pick pumpkins, play in the hay, and stock up on apples, squash, popcorn, and fall decorations. Currently, sales from their roadside stand continue to provide fulltime income. Jean taught Health and Physical Education at a nearby school for several years to supplement their income, and has continued working with and teaching young people as they work on the farm, selling produce or hoeing weeds. Jean has a waiting list of youths who want to work at Peterson Produce.

Typically, Jean and Al have at least two people working with them eight hours a day. Hired labor also helps with planting, transplanting and harvesting crops, and hand-hoeing or weeding all the crops except corn. The older students help display and sell. Picking the vegetables and selling from the stand are the most time-consuming tasks on the farm.

*Marketing and Pricing*

Sales and marketing are as important as production. Jean emphasized that before you plant a single seed, you should research your markets. Is it more feasible for you to market wholesale or retail? If wholesale, who has promised to buy from you? If retail, find out what people want and how much is needed. Jean and Al advertise with ads in a couple local newspapers as well as an ad in the Star Tribune. They also list Peterson Produce in the Minnesota Grown directory.

To set prices, Jean recommended simply talking to people with experience. Call a farmer to find out what they sold their product for the previous year, and see what the price is on the market. Selling produce too cheap, especially large amounts, has a negative impact on all sellers. If customers question the price, knowledgeable workers can explain to customers why their product is well worth the price—especially since the employees have spent time in the fields and know how much work goes into raising the produce! As Jean put it, “Some people are going to leave. If someone doesn’t leave by saying ‘that’s too expensive,’ you may be underpricing your product.” People buy from farmers like Jean and Al because they have a high quality product, not because they have the lowest prices.

The visual appeal of produce displays is important. Jean’s advice is to pile displays high, but be sure the produce is still accessible. People like large displays, but you don’t want them to be afraid to shop off the display. Customer relations are also very important. Jean emphasized the importance of personable, knowledgeable staff who engage customers and enthusiastically share their knowledge about the produce.

*Future Plans and Words of Advice*

Jean and Al have continued to adjust their production and marketing goals, and now have about 20 acres in vegetable production, emphasizing higher value crops. They have more recreational/entertainment activities, such as promoting a pick your own pumpkin patch and selling fall decorations. Highway 12 continues to be a prime location, and they feel it’s important to keep their land in production—to preserve green space in an area increasingly threatened by encroaching suburbs. It is a challenge to set prices for produce that give value to customers and also allow Al and Jean to pay workers a fair wage, cover health insurance expenses, and provide for their retirement.

Jean’s advice for farmers considering selling from a roadside stand is to talk to people who are doing it. In their first production year, Jean had a friend tell her exactly how much she needed to plant for each crop. Jean wishes she had been less cautious about asking other farmers for advice. “They were always willing to help out—if we had asked more often, it may have answered some questions we had and helped us make our work easier or more profitable. Veteran farmers have a wealth of experience that can make a new farmer’s learning curve a bit less steep!”



PETERSON PRODUCE

**Profile: The Lamb Shoppe On-Farm Store**

*Connie Karstens and Doug Rathke  
Hutchinson, Minnesota  
www.ourfarmtoyou.com*

Connie Karstens and Doug Rathke are “poster” farmers for a diversified, sustainable enterprise. Their 180-acre farm, Liberty Land & Livestock, has been chemical-free since they purchased it in 1990. They practice sustainable agriculture and have worked hard to build healthy land from the soil up. They rotationally graze a 250 Dorset ewe flock on an accelerated lambing program, as well as some Jersey cattle. They also raise chickens, eggs, and turkey and in 1997 added a 20 x 30-foot U.S. Department of Agriculture-approved processing plant and on-farm store to their farm home.

Their marketing enterprises are equally diversified and include selling at farmers’ markets, operating a state fair food booth, delivering to a few natural food co-ops in the state, and to a Twin Cities restaurant, and direct marketing their specialty lamb from their on farm retail store, “The Lamb Shoppe.”

Doug and Connie decided to add the processing facility and on-farm store because they felt there was sufficient demand and they were well-positioned to have customers come to them. They had been operating a food stand at the state fair since 1990, and marketing to ethnic restaurants in the Twin Cities, and felt they had a guaranteed market. They thought that with their prime visible location on Minnesota Highway 7 and the clientele they had built up through farmers’ market and other sales, they would be able to bring customers out to them. The on-farm enterprise offered Connie the opportunity to be at home with their small children. They consulted with the Agricultural Utilization Research Institute (AURI) meat lab in Marshall, then hired an architect recommended by AURI.

Doug and Connie received a low-interest loan from AURI to build the processing facility and a small store area as an addition to their home. They worked with their local zoning and planning commission to get approval and make

necessary changes. They had to rezone a part of the farm as commercial, but Connie said that it didn’t impact their taxes much. They also had to put in a new sewer and work with the committee to make their signage comply with local regulations. Building the processing plant as a USDA-approved facility involved flying the architect out to Washington, D.C. to get the facility layout approved, and obtaining necessary licenses and permits. A federal inspector comes to their plant every time they process. Karstens noted, “There’s a lot of paperwork and regulations, but it’s doable—just take it a step at a time.” AURI also brought in experts from the British Livestock and Meat Commission to conduct advanced lamb-cutting instruction at a workshop at the University of Minnesota. Now, Doug and Connie cut and package lamb under a private label called “Liberty Lamb.” They slaughter weekly at nearby Carlson Meats in Grove City, then do their own cutting and packaging.

*Current Operation*

The farm and store are on a main highway, within about an hour of the western metro area, so Connie and Doug have good access to markets in the Twin Cities. The store is also a reasonable driving distance for customers that want to come out to shop on the farm. Connie carefully plans the shopping experience in the store to be pleasant—not just visually but to all the senses, with appealing smells of fresh mint and rosemary. They sell their natural (free of hormones, antibiotics, pesticides and herbicides) USDA-inspected meat. Next to the lamb in the display freezer you’ll also find beef, chicken, and—during Thanksgiving—turkeys. They sell “Timeless Treasure” wool blankets and other woolens, and occasionally have other specialty items handmade by a local crafter. They also sell their own eggs year round. They cooperate with other sustainable farmers in their area and sell butter and cheese from Pastureland cooperative, as well as organically certified whole wheatberries and freshly ground flour grown by an area farmer. The demand for lamb also outstrips their own farm capacity and they market lamb from several local farmers who use their production

methods and genetics so that they provide a uniform product. They also carry other dried goods such as herbs and teas. They do not try to maintain regular store hours, but are usually within shouting distance during the day, and suggest that customers call ahead, both to insure that someone will be there as well as to make sure that what the customer wants is available. They take great pride in the way they farm, and encourage customers to come to the farm retail store and “ask about a farm tour so you can see for yourself how your food is being raised.”

For customers who can't make it out to the farm they have an excellent, up-to-date website that includes a virtual slide show tour of the farm. There's even a picture of the guard donkey used for predator control, as their main predator problems are domestic dogs and coyotes. Connie and Doug have used grants that are available for farmers to try new ideas, and have received USDA SARE farmer rancher grants to help with website development and marketing. Connie does all of the website maintenance, but finds it hard to keep it maintained consistently. She recommends finding someone with technical expertise to help with that aspect of the business. Connie suggests including menu ideas, recipes, and nutrition books on your website. They maintain an up-to-date price list of available products on the website. Customers can fill out the order form online and submit it online—then Connie contacts the customer to let them know whether it's available or when they will next be processing. She usually gets about five email orders a week. They have shipped via mail in the past, but have recently decided to discontinue that aspect of sales. There is sufficient local demand for their meat and they prefer to encourage local food systems. “The shipping we were doing was usually out to the coasts, and was so expensive—it was often more than the cost of the meat,” said Connie.

#### *Labor*

Connie and Doug only hire outside labor for their booth at the state fair. Otherwise they handle the production, processing, and

marketing themselves. Connie does most of the marketing. They work together on the day they do the processing, with Doug doing the large cutting and Connie doing the fine trimming. “But we both have to clean up,” said Connie laughing. “That was something that we had to agree to early in the process!”

#### *Marketing*

Their advertising is mostly word of mouth and the signage in front of their store. “Location is our best advertising,” said Connie. “It's our unfair advantage.” Advertising signage for The Lamb Shoppe includes an 8 x 16-foot retail meat shop signs on either end of their property, a 12 x 12-foot driveway sign and a changeable-letter sign at the end of their driveway to announce sales. They are listed in the Minnesota Grown directory, as well as other regional local food guides, such as Pride of the Prairie and the Northwest Local Food Partnership. Connie does advertise in the local paper for special availability a couple of times a year—turkeys for Thanksgiving and lamb for Easter. They also get customers who come out to the store after stopping by their food booth at the Minnesota State Fair.

#### *Future Plans and Words of Advice*

Connie says that the store can be a lot of hard work, “but it seems to suit our needs well. We can stay at home and the customers come to us, and we like that people can come out and see how their food is raised.” The tradeoff is that there is some loss of privacy. When asked if they'd do anything differently, Doug said he wishes they'd built the store bigger. When they started their business, they really weren't sure how much drop-by traffic they'd have, but they currently have 25 to 30 customers a week dropping by the store. Many are new customers that just are driving by, see the sign, and decide to stop in.

