



UNIVERSITY OF MINNESOTA EXTENSION REGIONAL
SUSTAINABLE DEVELOPMENT PARTNERSHIPS PRESENT:

FARM TO GROCERY TOOLKIT

OPENING NEW FARM-TO-
GROCERY MARKET CHANNELS
TO HELP INCREASE ACCESS
TO MINNESOTA SPECIALTY
CROPS & LOCAL FOODS

Regional Sustainable
Development Partnerships

UNIVERSITY OF MINNESOTA
EXTENSION

Minnesota
Institute for
Sustainable
Agriculture

ACKNOWLEDGEMENTS

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FARM TO GROCERY TOOLKIT

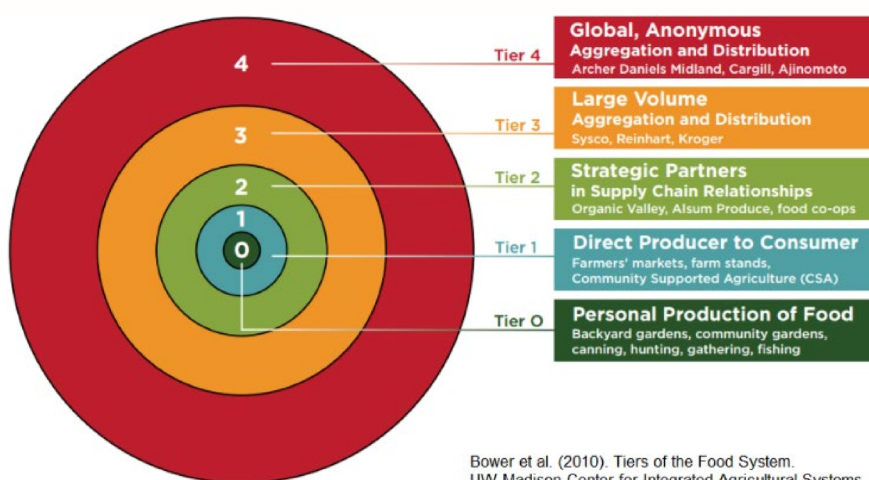
OVERVIEW OF FARM-TO-GROCERY

Ren Olive, Jane Jewett, Kathryn Draeger, Karen Lanthier

Minnesota consumers want to purchase local foods, and diversified supply chains are important to food system resilience. Farmers' markets, Community Supported Agriculture (CSA) programs, and cottage food production all involve 'direct to consumer' sales which are a relatively easy way for smaller farmers to access customers (see Figure 1).

However, these direct market sales are time consuming and may become saturated, causing farmers to turn to other market outlets. Diversifying marketing outlets helps farmers remain viable, competitive, and sustainable; which in turn benefits community food security. In the 2019 Rural Grocery Survey, a majority of rural grocers indicated that they want to purchase more locally produced foods.

Farm-to-Grocery provides opportunities for increased sales and market access. Diversified supply chains such as farm-to-grocery, are important for a resilient food system. This farm-to-rural grocery toolkit is a resource for farmers and grocers to help facilitate the sale of farm-grown products to rural grocery stores. Paths to sell to larger stores and urban markets exist through food hubs and wholesale distributors (tiers 2 and 3 in Figure 1), but often require a larger volume to meet market demand. Small and rural grocery store sales may make a better match for small producers looking to diversify their markets.



Bower et al. (2010). Tiers of the Food System.
UW-Madison Center for Integrated Agricultural Systems

Figure 1: Bower et al. (2010). Tiers of the Food System.
University of Wisconsin - Madison

POTENTIAL BENEFITS FOR FARMERS

- Regularly purchased volumes
- Ability to grow overall sales
- Time commitment may be less than other sales methods
- Advertising outreach
- Access to a larger customer base

POTENTIAL CHALLENGES FOR FARMERS

- Grocers often desire "perfect" produce
- Need for consistent, clear communication; grocers may expect immediate availability
- Price determination that works for both farmer and grocer
- Expectation to maintain a clear invoicing system with grocer
- Need for 4-7+ days warning if produce can't be delivered
- Must meet grocer's ordering and delivery schedules

This toolkit provides resources to help farmers and grocers create a clear and beneficial business relationship, easily access information on the legality of local foods, and provides templates for use to help ease business transactions.

might face budget constraints, or be unwilling to pay the premium price that is needed for farmers and grocers to be profitable. Keep this in mind when pricing product. Additionally, grocery stores face a “values tension” when determining prices, as they often realize conflicts between providing equitable wages to employees (or themselves), offering food at affordable rates, competing with dollar stores, using funds to maintain their store, and paying producers fair prices.

2. APPROACH THEM-

Results from both 2015 and 2019 surveys of rural grocery store owners in Minnesota found that more than half of the grocers surveyed were interested in connecting with local farmers.¹ Follow-up conversations with individual grocers indicated that many struggle to find the time to get to know local farmers because of ongoing store demands.

Hold initial conversations during the farmer's "off season" (winter) and while the store has slower sales periods (often mid-morning and early afternoon). Phone calls in advance can help both store and farmer plan for this initial meeting.

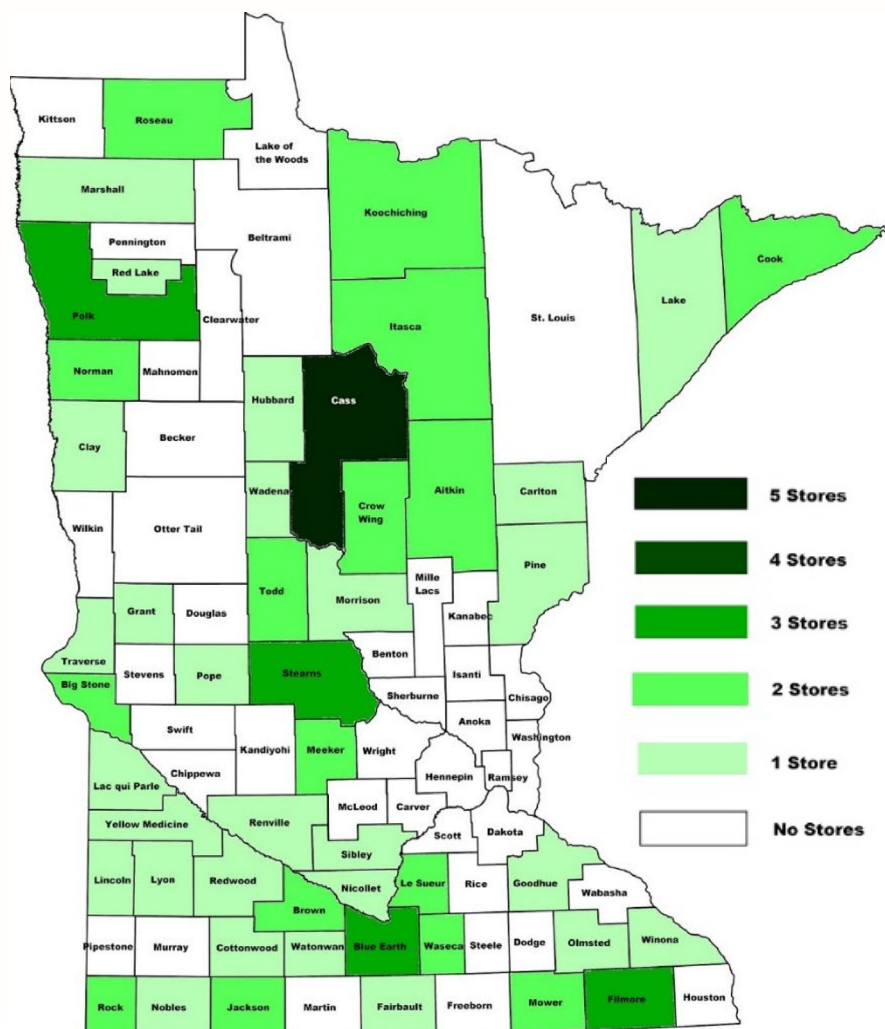
If the conversation is going well and there is a potential business relationship, be sure to discuss and record the types of products, timing, delivery, communications, volume of items, price estimates, etc. A guide to help with this conversation is included in the “Building Strong Business Relationships” section on page 18.

Grocers and Farmers, be ready to have an open conversation about the prices the grocer can pay and the sales margin needed. Certain customers may pay more for fresh, locally grown product compared to other non-local product at the grocery store. Other customers

LOCAL FOOD INTEREST OF RURAL GROCERY STORES

INTEREST IS OUT THERE

According to a recent University of Minnesota Extension Regional Sustainable Development Partnerships survey of rural grocery stores, there is strong interest among rural grocery stores in carrying locally grown foods.² The map shown is a breakout by county of rural grocery stores in towns less than 2,500 people who indicated they were interested or potentially interested when asked, “Would you like help in finding or connecting with local farmers who could supply fruits and vegetables to your store?”



don't forget...

If you are successful in starting a business relationship, don't forget to do your part to support that business. Farmers, this means shopping for off-farm goods at the local stores as frequently as you can and encouraging friends and neighbors to shop. This also means that grocers need to support the local farm by placing regular orders. Shopping locally helps to maintain prosperity within the community. In some cases, it's been shown that \$68 of every \$100 stays within the community when people shop at locally-owned, independent businesses, compared to \$43 of every \$100 spent at chain businesses.

For more information visit:
z.umn.edu/RuralGrocery

1. "RETAIL ATTRACTION & MARKET RESEARCH | Andersonville." Accessed October 2, 2017. <http://www.andersonville.org/business-resources/retail-attraction-market-research/>.
2. Draeger, K. J., Lanthier, K.A., & Tong, C. (2015) [Minnesota Rural Grocery Survey]. Unpublished data.

Minnesota Institute for
Sustainable Agriculture



FARM TO GROCERY TOOLKIT

LEGALITY & METHOD OF FARM-TO-GROCERY

Ren Olive, Jane Jewett, Kathryn Draeger, Karen Lanthier

REGULATIONS

As farmers look to sell products to grocery stores, the question that often arises is: “How can I *legally sell* my product to a grocery store in Minnesota?” According to results from the 2019 Rural Grocery Store Survey, understanding the rules was seen as the number one barrier for Minnesota rural grocery stores when considering purchasing of local products. Although there are variations by product category (fresh produce, meat, eggs, etc.), it is legal to sell local foods to grocery stores, and there are broad concepts that apply. Groups such as MISA and Extension continue to work with the Minnesota Department of Agriculture (MDA) to clarify the regulatory environment.

BROAD CONCEPTS

“Product of the Farm” is a concept written into the Minnesota Constitution (Article 13, Section 7) and in Minnesota statute (28A.15 Subd. 2). These are products grown or raised on land occupied and cultivated by a farmer or gardener. Land that a farmer or gardener “occupies and cultivates” includes land they rent/lease.

“Sell/sale” has a very specific definition in Minnesota statute (MN Statute 34A.01 Subd. 12). “Sell” and “sale” mean keeping, offering, or exposing for sale, use, transporting, transferring, negotiating, soliciting, or exchanging food; having in possession with intent to sell, use, transport, negotiate, solicit, or exchange food; storing, manufacturing,

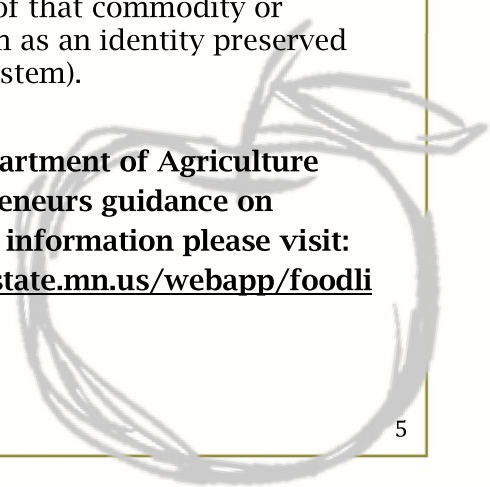
producing, processing, packing, and holding of food for sale; dispensing or giving food; or supplying or applying food in the conduct of any food operation or carrying food in aid of traffic in food whether done or permitted in person or through others.

“Value-added” agriculture is attractive to farmers who want to expand their customer base by using ingredients they grew to create products with increased economic value. This activity may require inspection and a license.

The U.S. Department of Agriculture defines value-added products as follows:

- A change in the physical state or form of the product (such as milling wheat into flour or making strawberries into jam).
- The production of a product in a manner that enhances its value, as demonstrated through a business plan (such as organically produced products).
- The physical segregation of an agricultural commodity or product in a manner that results in the enhancement of the value of that commodity or product (such as an identity preserved marketing system).

The Minnesota Department of Agriculture offers food entrepreneurs guidance on licensing. For more information please visit: <http://www2.mda.state.mn.us/webapp/foodlicensingwizard/>





fresh produce

(fruits, vegetables, edible mushrooms, herbs, and nuts)

The following points provide an overview of key regulatory information and considerations for grocery stores procuring local produce.

For more information:

Farmers: z.umn.edu/sellinglocalproduceMN

Grocers: z.umn.edu/MDAlocalproduce

- **Farmers are an approved source** for sale to grocery stores of produce grown on their own or rented land. This is “product of the farm.” No license is needed for farmers to sell produce that is whole and raw, or processed (e.g. peeled, cut, shredded, frozen) with no off-farm ingredients added.
- **Farmers who add off-farm ingredients, or who source some products from other farmers,** can work with an MDA inspector to obtain proper licensing for their sales to grocery stores. See [Aggregation of Farmers’ Produce](https://z.umn.edu/aggregationproduceMN) for more details on how to legally combine produce with other farms (z.umn.edu/aggregationproduceMN).
- **Farmers can sell fresh, raw, whole produce.** They must use sanitary facilities and potable (drinkable) water when trimming roots, cutting tops, washing, husking, sorting or packaging to ensure safety and to make produce presentable for sale. Many farmers voluntarily take produce safety training and can supply an on-farm food safety plan summary (see template.) Sanitizer in wash water is allowed and does not count as an off-farm ingredient.
- **Farmers can process produce for sale.** A license for this activity is not required unless farmers are 1) adding off-farm

ingredients or 2) using produce acquired from other farms. However, farmers must use sanitary facilities and are subject to inspection (Minnesota Statute 31.04). Farmers who want to process produce for sale and/or store and/or transport processed produce for sale must follow Current Good Manufacturing Practices (CGMPs) and use an appropriate, sanitary facility (on their farm or elsewhere) that is not a home kitchen.¹

- **If farmers want to add off-farm ingredients (even salt or pepper), they must have an MDA food manufacturer’s license** to make and sell such products to grocery stores.
- **Grocery stores can request additional documentation from farmers.** Some optional documentation:
 - On-farm food safety plan summary (*see template on p. 12 in Legality & Methods Resources*)
 - Summary of Current Good Manufacturing Practices followed (if processing produce)
 - Clean transport of produce policy (*see template on p. 13*)
 - Worker health and hygiene policy (*see template on p. 14*)

If a grocer has questions about the legality of purchasing produce directly from farmers, refer to the MDA/MDH/Extension publication “Selling and Serving Locally Grown Produce in Food Facilities” (z.umn.edu/MDAlocalproduce).

Farmers can refer to the MISA/MFMA Produce fact sheet (z.umn.edu/sellinglocalproduceMN) to help educate these buyers. Both of these fact sheets can be printed and distributed to help educate people involved in local supply chains.

UMN Extension offers farm food safety tools specifically for produce production: extension.umn.edu/safety/growing-safe-food

¹ <https://www.fda.gov/regulatory-information/search-fda-guidance-documents/small-entity-compliance-guide-what-you-need-know-about-current-good-manufacturing-practice-hazard>

meat and poultry

The legal definitions of 'meat,' 'poultry,' and 'wild game' are important to understand when raising products for sale to grocery stores. Eggs are addressed in a separate section.

“Meat” is tissue from animals other than poultry, fish, or wild game. In Minnesota this includes domesticated livestock such as cattle, sheep, swine, goat, ostrich, emu, and rhea; and also farm-raised game species such as bison, elk, deer, water buffalo, antelope, and rabbit.

“Poultry” means domesticated fowl, including chickens, waterfowl, and domesticated game birds. This excludes doves and pigeons that are bred for the purpose of producing eggs or meat.

“Wild Game” includes animals shot or trapped in the wild; not farm-raised. These animals or parts from them **cannot** be legally sold to grocery stores in Minnesota.

Meat and Poultry Sales to Grocery Retail

In order to be sold in a grocery store, any locally grown product defined as “meat” or “poultry” must be processed in a Minnesota Equal-to plant or a United States Department of Agriculture (USDA) plant.

- Meat or poultry products processed in a Minnesota Equal-to plant can be sold to grocery stores or other businesses within Minnesota.
- USDA processed meat and poultry products can be sold across state lines.



- Farmers who store and transport meat and poultry will need to follow requirements for delivery equipment and cold storage facilities found in Minnesota Rules 1550 (www.revisor.mn.gov/rules/1550/). The delivery equipment and storage facilities are subject to MDA inspection.
- If off-farm ingredients are added (e.g. salt, spice blends, etc.), the farmer will need to have an MDA food handler license in order to sell the product.
- If a grocer has questions about the legality of purchasing produce directly from farmers, refer to the MDA/MDH/Extension publication “Approved Sources of Meat and Poultry for Food Facilities” (z.umn.edu/ApprovedSourceMeat-Poultry).
- Farmers who want more detail about their requirements for legal sales can refer to the MISA/MFMA fact sheets, “Selling Minnesota Meat Products” and “Selling Minnesota Poultry Products.” (z.umn.edu/localmeat and misadocuments.info/LFAC_local_poultry.pdf).

Note: All of these fact sheets can be printed and distributed to help educate people involved in local supply chains



eggs

The details around selling locally raised eggs to a grocery store vary based on two conditions:

- 1) **Size of your farm** - whether you have greater or fewer than 3,000 hens, *and*
- 2) **Source of the eggs** - Whether you are selling eggs from other farms in addition to yours.

Details around selling to a grocery store are noted below, noted in the summary chart adapted from p.6 of “Selling Shell Eggs in Minnesota” (z.umn.edu/localeggs). Eggs for sale to grocery stores must be stored at 50 degrees Fahrenheit or lower before processing. Candle, grade, pack, and label the eggs, and then refrigerate the eggs at 45 degrees Fahrenheit or lower after processing.

- **“Processing”** a shell egg in this context means that an unbroken shell egg has been cleaned, candled, graded, packed, and labeled.
- An **“unprocessed”** egg is one that hasn’t gone through the steps mentioned above.

The MDA has different requirements based upon size of operation; for more information, see: z.umn.edu/MDAeggssales.

Summary Table for Egg Sales Scenarios				
	Sales of eggs from own farm with <3,000 hens, to food facilities (or to individuals at off-farm location)	Sales of eggs from own farm with >3,000 hens	Sale or distribution of eggs from other farms; you grade, pack & label	Sale or distribution of eggs from other farms; they grade, pack & label
MDA License	NO	NO	YES	YES
Inspection	NO	YES	YES	YES
Register with MDA	REQUESTED	NO	NO	NO
Register with USDA-AMS	NO	YES	YES	NO
Candle	YES	YES	YES	YES
Grade	YES	YES	YES	YES
Pack	YES	YES	YES	YES
Label	YES	YES	YES	YES
Refrigerate at 50o F before processing	YES	YES	YES	YES
Refrigerate at 45 F after processing	YES	YES	YES	YES
Charge sales tax	NO	NO	NO	NO
Sampling & demo	YES. See the sampling exemption, M.S. 28A.151. https://www.revisor.mn.gov/statutes/cite/28A.151 You must have an adequate system for cooking and sanitation in order to protect public health.			
MDA jurisdiction	YES	YES** (**USDA AMS)	YES** (**USDA AMS)	YES
MDH jurisdiction	NO	NO	NO	NO

grains & dry beans

Farmers can legally sell grain and dry bean products to grocery stores.

Farmers who sell edible grain and dry bean products to grocery stores must follow Current Good Manufacturing Practices (CGMPs) for the cleaning and packaging of products. Farmers must do cleaning and packaging in an adequate facility (either on-farm or off-farm) that is not a home kitchen. See CGMPs Small Entity Compliance Guide: z.umn.edu/smEntityfdaCGMP

PROCESSING GRAINS FOR SALE


Milling – grinding or rolling – and packaging of grains for sale can be done by farmers in adequate facilities, either on their farm or at a different location.

Grain milling or grinding facilities are subject to MDA inspection, whether or not the farmer holds a license. If a license is not required, the inspection is based on CGMP.

LICENSING FOR GRAINS

Farmers who sell grain and dry bean products made entirely from what they grew on their own (owned or rented/leased) farm do not need a license to sell these products to a grocery store.

Farmers who add off-farm ingredients to grain or dry bean products, or who source some product from other farmers, will need a food handler license from MDA.



Call **651-201-6027** for the Minnesota Department of Agriculture, Food and Feed Inspection Division to connect with your local inspector.

LABELING PROCESSED GRAINS FOR SALE

Basic labeling requirements should be followed when selling processed grains as packaged food. This includes:

- ✓ Name of the product
- ✓ Net weight in grams and ounces
- ✓ List of ingredients
- ✓ Manufacturer's contact information (name, address with city, state and zip code, at a minimum)

The packaging of edible grains or dry beans does not need to list harvest date or location of harvest as they are often commingled and stored over a period of time.

NOTE: Nutrition facts labeling is **not** likely to be required of most farmers selling their own products, because of exemptions that apply to small-scale operations.

Current small business nutrition labeling exemptions:

- A seller who has fewer than 100 full time equivalent employees and who sells fewer than 100,000 units of product in the United States in a 12-month period can file with the FDA for an exemption.
- If the seller is not an importer, and has fewer than 10 full-time equivalent employees, that person does not have to file a notice for their packaged food if they have annual sales of fewer than 10,000 total units.

A full explanation of small business exemptions to labeling packaged foods can be found at: z.umn.edu/FDAlabeling.

There are no specific supporting fact sheets from the MDA about regulations for local grain or dry bean sales in Minnesota. Refer to z.umn.edu/MDAlocalproduce for general information that applies to grains and dry beans.

A faint, stylized illustration of a dairy farm scene, including a barn, silos, and a cow, is positioned in the background of the dairy section.

dairy

Sales of pasteurized dairy products to grocery stores in Minnesota are legal and require working closely with a Minnesota Department of Agriculture (MDA) inspector.

- **Raw milk cannot be sold in a public setting in Minnesota.** (see <https://www.mda.state.mn.us/food-feed/what-is-raw-milk> for more information).
- MDA dairy regulations can be found at <https://www.mda.state.mn.us/food-feed/dairy-regulations-links>

SELLING DAIRY TO GROCERY STORES

All firms and/or farms making dairy products for sale to grocery stores are **required to be permitted and inspected by the MDA**. Note:

- Milk and dairy products are susceptible to contamination by harmful bacteria which can cause health issues.
- Routine inspection and approval of facilities, equipment, and manufacturing processes helps ensure food safety.

The MDA inspects facilities and tests milk pasteurizing equipment every three months at facilities making Grade A products like bottled milk, yogurt, and sour cream.

Manufacturing grade facilities that manufacture products such as cheese, ice cream, and butter undergo a facility inspection and testing of milk pasteurizing equipment by the MDA every six months.

All product labels must be sent to the MDA for a label review and approval prior to product sales.

bakery

SELLING BAKERY TO GROCERY STORES

Farmers or others with licensed bakery operations can sell their products to grocery stores. Bakers can be licensed to operate in a facility that they own or rent. Licensed bakers can operate out of shared-use kitchens that rent to multiple tenants.

Some bakery products made under a license are similar in appearance to products that Cottage Food Producers can make in their home kitchens under the Cottage Food Exemption from licensing. **Cottage Food products cannot be sold to grocery stores.**

BAKERY LICENSING

- Grocery stores that are asked about buying local bakery products must verify that these are produced under a license and not a Cottage Food Producer registration.
- If produced under a license, the product is legal for the grocery store to buy and re-sell.

Licenses can be verified on the MDA's License Lookup:

<https://www.mda.state.mn.us/licensing/license-lookup>

For more information visit: z.umn.edu/RuralGrocery

Minnesota Institute for Sustainable Agriculture

Sketch-style food pictures courtesy of creative commons

FARM TO RURAL GROCERY TOOLKIT

LEGALITY & METHOD RESOURCES

RESOURCES FOR INFORMATION/HELP

MINNESOTA DEPARTMENT OF AGRICULTURE; FOOD & FEED INSPECTION DIVISION

Call **651-201-6027** to request an inspection, obtain contact information for the inspector who serves your area, or begin a conversation about on-farm processing.

MINNESOTA DEPARTMENT OF AGRICULTURE

www.mda.state.mn.us

Fact sheets and other documents are searchable using titles.

MINNESOTA FARMERS MARKET ASSOCIATION

www.mfma.org

Contact MFMA for help with any questions relating to sale of produce at farmers markets.

MINNESOTA INSTITUTE FOR SUSTAINABLE AGRICULTURE (MISA)

<http://www.misa.umn.edu>

Contact MISA for help with finding information and resources relating to local or regional produce production, processing, marketing and sales.

UMN EXTENSION FARM FOOD SAFETY PROGRAM

extension.umn.edu/safety/growing-safe-food

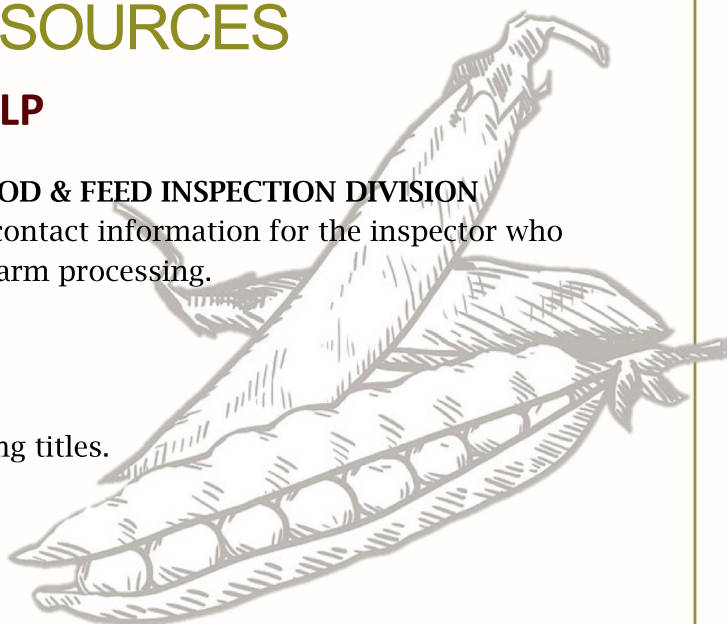
Good Agricultural Practices (GAPs) Education Program works with Minnesota's produce farmers to help them develop and implement on-farm food safety plans and prepare for GAPs audits.

UMN EXTENSION REGIONAL SUSTAINABLE DEVELOPMENT PARTNERSHIPS

rsdp.umn.edu

Contact RSDP for help with selling local foods and resources related to working with rural grocery stores.

NOTE: The following three forms can be used to document farm food safety practices, clean transportation practices, and personal hygiene and illness policy. Farmers can print, sign, and save these documents as part of their farm records, and can share them with grocers if requested.



One page Summary of Written On-Farm Food Safety Plan for Fruit & Vegetable Production*

Briefly describe how you (the farmer) address the following food safety practices on your farm:

1. Handwashing station(s) in the field and/or packing area:
2. Clean and stocked restroom facilities available to workers:
3. Hygiene, illness, injury and safety training for workers:
4. Regular cleaning/sanitizing for equipment, tools, storage, and transport containers:
5. Manure and/or compost management plan:
6. Measures to keep wild and domestic animals out of fields and packing areas:
7. Annual well water testing for generic E. coli and nitrites/nitrates:

*This worksheet used with permission from MISA publication "Food from Farms" toolkit, Appendix A (page 20A).
<https://www.misa.umn.edu/publications/directpurchasingtoolkit>

Clean Transport of Produce Policy

Fruits and vegetables are unique foods in that they are often consumed raw or with minimal preparation. Therefore, preventing contamination of fresh fruits and vegetables with microbial pathogens, dangerous levels of chemical residues, or physical contaminants is the most effective strategy to assure that these foods are wholesome and safe for human consumption.

Delivering produce means that you will be responsible for ensuring that produce is transported in an acceptably clean manner. The transport vehicle will be subject to inspection by the Minnesota Department of Agriculture.

Specific standards for clean transport are in Minnesota Rules 1550.0930 – 1550.1020:
<https://www.revisor.leg.state.mn.us/rules/?id=1550.0930>

Generally, delivery equipment must be clean, sanitary and in good repair; and designed to prohibit contamination of the produce by dust, etc. during transport. The transport vehicle must not contain evidence of chemicals, odors, or obvious debris. Animals are not permitted in food transport vehicles.

Examples of acceptable "Delivery equipment:"

- The smooth, cleanable, non-porous interior of a transport vehicle. This would allow transport of produce in open boxes or crates within that vehicle.
- A clean container with smooth, cleanable, non-porous interior that is sufficiently sealed to prevent contamination of the produce. This would allow use of a transport vehicle that does not meet standards for transport of open crates or boxes of produce.

Driver

Date

Representative

Date

Personnel Hygiene and Illness Policy

Fruits and vegetables are unique foods in that they are often consumed raw or with minimal preparation. Preventing contamination of fresh fruits and vegetables from microbial pathogens, dangerous levels of chemical residues, or physical contaminants, is an effective strategy to assure that these foods are wholesome and safe for human consumption.

Workers at the farm must practice good personal hygiene and must not work when ill.

By signing this agreement you agree to:

- Follow FDA recommended handwashing protocol
 - Wash hands with soap under running water for minimum of 20 seconds
 - Wash hands after using restroom
 - Wash hands after eating, smoking, or touching hair, skin or clothing
 - Wash hands before handling clean produce
- Refrain from working on farmers' market aggregation when ill with vomiting or diarrhea. You must be symptom-free for 24 hours before working.

(More detailed information about foodborne illness and employee health and hygiene is in this 68-page manual from the Food & Drug Administration:
<https://www.fda.gov/downloads/Food/GuidanceRegulation/RetailFoodProtection/IndustryandRegulatoryAssistanceandTrainingResources/UCM194575.pdf>)

Name

Date

Representative

Date

FARM TO GROCERY TOOLKIT

LEGAL PRODUCT CHECKLIST

Ren Olive, Jane Jewett, Kathryn Draeger, Karen Lanthier

This checklist can be used as a tool by farmers and grocers to review product legality. Detailed information about legal requirements is available on the MISA website at:
www.misa.umn.edu/publications/local-food-fact-sheet-series

Note: For each product type, at least one line needs to be checked in order for the product to be legally purchased by a grocer for resale to customers.



PRODUCE (fruits, vegetables, mushrooms, herbs), GRAINS, DRY BEANS

- ___ Items are whole, raw products 100% grown on land farmer owns or leases.
[If this item is checked, no license is required.]
- ___ Items are 100% grown on land farmer owns or leases and processed in an approved facility **with no** added off-farm ingredients.
[If this item is checked, no license is required.]
- ___ Items are grown on land farmer owns or leases and processed in an approved facility **with** added off farm ingredients.
[If this item is checked, submit copy of MDA food license. License type may vary.]
- ___ Items include products grown by other farmers
[If this item is checked, submit copy of MDA food license. License type may vary.]

Supplemental FSMA information for Produce* (check one):

**refer to FSMA Exemptions Summary for more information*

- ___ Farmer's farm is exempt from the FSMA Produce Safety Rule.
[If this item is checked, there are no additional requirements.]
- ___ Farmer's farm is qualified-exempt from the FSMA Produce Safety Rule.
[If this item is checked, the farmer's name and full business address must be on packages of produce OR displayed at the point of sale.]
- ___ Farmer's farm is covered by FSMA Produce Safety Rule.
[If this item is checked, submit certificate of FDA-approved training.]

HONEY & MAPLE SYRUP

- Items are produced 100% from hives or trees farmer owns or leases, and processed and packaged **with no** added off-farm ingredients.
[If this item is checked, no license is required.]
- Items are produced 100% from hives or trees farmer owns or leases, and processed in an approved facility **with** added off-farm ingredients.
[If this item is checked, submit copy of MDA food license. License type may vary.]
- Items include products produced by other farmers
[If this item is checked, submit copy of MDA food license. License type may vary.]

EGGS

- Eggs are 100% from farmer's own flock of fewer than 3,000 laying hens
[If this item is checked, submit copy of approved MDA exempt producer registration form.]
- Eggs are 100% from farmer's own flock of more than 3,000 laying hens
[If this item is checked, submit copy of USDA-AMS registration as producer/packer.]
- Some or all eggs are from other farmers
[If this item is checked, submit copies of USDA and/or MDA registration and licensing.]

MEAT AND POULTRY

- Meat or poultry products are 100% from farmer's own farm, **with no** added off-farm ingredients, and are processed under inspection at a USDA or MN Equal-To facility. Packages bear the mark of inspection.
[If this item is checked, no license is required.]
- Meat or poultry products 100% from farmer's own farm, **with** added off-farm ingredients, and are processed under inspection at a USDA or MN Equal-To facility. Packages bear the mark of inspection.
[If this item is checked, submit copy of MDA food handler license.]
- Meat or poultry products **with or without** added ingredients include products from other farms and are processed under inspection at a USDA or MN Equal-To facility. Packages bear the mark of inspection.
[If this item is checked, submit copy of MDA food handler license.]

DAIRY

- Dairy products made with milk 100% from farmer's own farm, pasteurized and processed in an approved **off-site** facility:
 - with no added ingredients
 - OR -
 - with ingredients also 100% from farmer's own farm;
[If this item is checked, submit proof of the approved facility's MDA Dairy Plant license.]

- Dairy products made with milk 100% from farmer's own farm, pasteurized and processed in an approved **on-farm** facility:
 - with no added ingredients
 - OR -
 - with ingredients also 100% from farmer's own farm;
[If this item is checked, submit copy of farm's MDA Dairy Plant permit.]

- Dairy products pasteurized and processed in an approved **off-site** facility:
 - with added off-farm ingredients
 - and/or with milk from other farms;
[If sold or distributed by the farmer, submit copy of farmer's MDA food handler license.]
[If sold or distributed by the facility, submit copy of facility's MDA Dairy Plant License.]

- Dairy products pasteurized and processed in an approved **on-farm** facility:
 - with added off-farm ingredients;
 - and/or with milk from other farms;
[If this item is checked, submit copies of farm's MDA Dairy Plant permit and MDA Dairy Plant License.]

To be signed by the farmer:

- I affirm that my responses to the above checklist items are true and accurate, and that copies of all required registrations and/or licenses are submitted with this document.

Print Name: _____

Signature: _____ **Date:** _____

For more information visit: z.umn.edu/RuralGrocery

Minnesota Institute for
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FARM TO GROCERY TOOLKIT

BUILDING A STRONG FARM-TO-GROCERY BUSINESS RELATIONSHIP

Ren Olive, Jane Jewett, Kathryn Draeger, Karen Lanthier

When farmers and grocery stores enter into a new business relationship, there are a number of steps both the farmer and the store owner can implement to ensure maximum benefit. This section of the toolkit aims to provide a framework for needed discussions between farmers and grocers, with discussion questions as well as more information related to the discussion topics.

Farmers, plan to visit with the grocer in store. Before meeting with the store, work on developing a “pitch” – why should the store buy from you? What makes your product special? Bring product samples to the store if possible.

Grocers, let the farmer know the best time to visit your store. Ask yourself why you want to offer local foods. Do you have a sense of how much volume you sell in different product categories? Work with the farmer during the off-season (late Nov – Feb) to plan ahead for your needs.

questions for discussion when meeting in the store:

- ☐ **PURCHASING:** What types of product is the store interested in purchasing? About how much of the farmer’s product will the store sell each day/week/month? How will invoicing be handled (will the farmer invoice the store)? How will the price the farmer gets paid be negotiated?



Delivery of produce to grocery store. Photo credit: Public Domain

- ❑ **COMMUNICATION:** How frequently will the store need new orders to be ready? How will the farmer and store communicate about purchasing new orders (text, email, call)? How soon does the store need to know about product shortages (e.g. one week before order delivery?)

- ❑ **QUALITY:** Discuss packaging and presentation (individual items, pack sizes, shipments). How was the product produced (organic, etc.)? What do store customers prefer -- are there certain industry sizes/grades expected? Will the store refuse/reject product if it does not meet certain specifications (outline what those are)?

- ❑ **DISPLAY:** What space does the store have available to allocate to the farmer's product? Is the space refrigerated/frozen? In bright light? Humid? How does storage in the store affect the farmer's product quality? How will the product be promoted to customers?

- ❑ **SHRINK:** How frequently will grocery staff look over the produce and cull the produce that is no longer desirable for purchase? What sorts of factors will cause the store to cull (inquire for each type of item)? Decide where the waste will go - will it be discarded, donated, or given back to the farm for livestock/compost?

PRICE + PURCHASING

Although determining price can be a difficult discussion between farmers and grocers, this does not need to be the case. Sellers and buyers should look at both absolute value of the farm product and sales margin needed, working towards a mutually beneficial price point.

A margin is the difference between the price a grocer pays for an item and the price at which that item is sold to customers. If there is a range of margin percentages the store considers acceptable for a product, there may be opportunity for negotiation between farmer and grocer. For example, a product that is more expensive for the farmer to produce but desirable to the store could potentially go on the low end of the store's range of margin percentages. This would give the farmer an acceptable pay price without pricing the product out of the range customers are willing to pay. Alternatively, there might be products for which the farmer would be willing to accept a lower pay price to allow the store a higher margin percentage.

Look around the store for further consideration of price. What prices does the store have on conventional items, locally grown items, and/or organic items? The grocery store may sell some produce items at a price that the farmer cannot match, and in that case it may be preferable to focus on different items for local purchasing.

The items in-store are marked-up from the grocer's purchasing price. Grocers have some flexibility in the amount of margin, but margins are critical to keeping utilities, labor, and other overhead costs paid.

For guidance on how margins work, download the margin calculator:
z.umn.edu/MarginCalculator

more about margins

Grocery stores calculate the margin of products they sell to help them understand how to operate their businesses. The formula for calculating product margin is the difference between the store's revenue – the selling price -- and cost of goods sold (COGS), all divided by the revenue (revenue-COGS)/revenue).

If a grocery store buys your tomatoes for \$1.40 per pound and sells them at \$2.80 per pound, their margin is 50%, or $(2.80 - 1.40)/2.80$. The product margin provides the money the grocer needs to allocate to other business expenses associated with selling your produce and other products (like labor, advertising, rent, shrinkage, etc).

Grocers will use their formulas for product margin, based on their costs, to determine the retail price for the products that you sell to them. They often think of product categories (produce, meat, fish, etc.) and the margin they need to turn a profit, while still retaining the ability to make a sale to their customers.

QUALITY AND PACKAGING

Preparing locally grown foods for sale in a grocery setting is different than preparing for a farmers market or community supported agriculture (CSA) box. While there are often industry standards (such as clam shell packaging for berries), small grocery stores often face additional challenges that may include a lack of misting equipment, low product turnover, limited cold storage space, and a customer base less familiar with specialty products, to name a few. Take this into consideration when choosing packaging.

To explore industry standards, visit:
<https://www.ams.usda.gov/grades-standards>

Be sure to discuss packaging expectations and what kind of packaging can improve the shelf life of the farm product. Customers at the store may expect product to come in a very specific form. If that expectation cannot be accommodated, design marketing strategies that highlight the unique features of the farm product.

QUALITY AND APPEAL: DISPLAYS

After finding answers about grocer expectations and logistics, farmers might consider working with grocers to adjust the sales space to maximize product quality and appeal. Consider effective displays that include these ideas:

1. Keep as much produce in backroom refrigeration/storage as possible while still maintaining a “full” look (produce quality will remain higher when stored in the more temperature consistent back room refrigeration). For guidance on optimal produce storage temperature ranges, see the Fresh Product Toolkit “Storing Fresh Produce” fact sheet at z.umn.edu/ProduceToolkit
2. Consider using false bottoms and/or decorative baskets to create a “full” effect with very little product. For more information on display techniques, see the Fresh Produce Toolkit “Produce Merchandising Techniques” fact sheet at z.umn.edu/ProduceToolkit
3. Create color and shape breaks when possible to catch the customer's eye.



Color and shape breaks draw a customer's eye to products. Pulling product toward the front of display shelves, stacking items, and using false bottoms create a “full” effect. Photo Credit: Public Domain

4. Consider stocking the farm's produce near other products of the same type (e.g. apples with other apples) unless the grocer is interested in creating a separate, highly visible section of just locally-grown products.
 - *If the farm product is certified USDA organic:* Grocery stores are not required to participate in the organic certification process. However, they must still follow regulations related to “maintaining organic integrity.” This includes preventing contact with non-organic foods and prohibited substances, as well as following labeling procedures. For more information on USDA organic program requirements, please see this guide: z.umn.edu/RetailOrganic

If the appearance of produce does not meet grocery store standards, one option is to donate to a food shelf or food bank. As of 2020, the state of Minnesota offers monetary incentives for MN growers to donate unsold farm fresh produce through the “Farm to Foodshelf” program. For more information: harvesttoendhungermn.org/F2F_FAO_FINAL.pdf

PROMOTING FARM PRODUCT

Sales of farm product can be built through in-store promotions, such as:

- Display “splashy” marketing materials to draw attention to the product, highlighting unique features and the story of the product. The story of the food can be a great promoter for sales; customers want to know where their food comes from. See the “local food feature flyer” template in the resource section of this toolkit. Check out low cost/free marketing materials at minnesotagrown.com/. Also, the “Farm Feature” template can be downloaded: z.umn.edu/FarmFeature



Signs promoting farm product in store will lead to greater awareness. Photo credit: Karen Lanthier

- ❑ Hold a cooking demonstration with the product in-store during peak shopping hours, allowing customers to sample the product as they pass by.
- ❑ Provide recipe cards for how to use the product and/or informational cards on best handling methods before cooking.
- ❑ Hold “introductory” or “new” product sales promotions.



Example of promoting local foods. For more information and access to FREE Minnesota Grown materials, see: <http://minnesotagrown.com/>

FROZEN VS. FRESH

Frozen may be an easier way to provide local foods in a small retail setting, especially for items like poultry or meat. Discuss with your grocer partner whether consumer acceptance or space may be an issue. Frozen product may be easier to sell in-store because of factors like scheduling, extreme perishability, potentially hazardous nature of the product or other factors.

PATHWAYS FOR SALES

Below you will find a sample of three different partnership sale models, all acting as pathways for entry of local foods into rural grocery stores. Work with your business partner to find the most effective pathway.

1. **Store buys product from the farmer and re-sells it to customers.** Store isn't locked into a particular markup and could choose to offer sales, make a local product the loss leader, etc. Farmer gets an agreed upon price for delivered product and only has to make deliveries as requested by the store. The grocer bears the risk of unsold product.
2. **Farmer rents shelf space from the store.** Farmer takes responsibility for stocking and maintaining display. The grocer gets a guaranteed amount per month for the retail space, regardless of how much product sells from that space. Inventory tracking could be an issue; it will be up to the farmer to keep track of goods sold, and to take back unsold goods to keep the display looking fresh.
3. **Consignment arrangement.** Farmer retains ownership of goods until purchased by a store customer and the grocer receives a straight percentage of sales to pay for the store space and execution of sales. Here the farmer bears the risk of unsold product.

For more information visit:
z.umn.edu/RuralGrocery

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YOUR FARM NAME HERE



information can include...

- ⇒ Farm Mission Statement can go here, something catchy that highlights the essence of your farm and the products you sell! Why should consumers buy your product?
- ⇒ Farmer and Farmer Name
- ⇒ 1234 Farmer Lane
Farmer City, MN
- ⇒ www.FarmWebsite.com

.....and don't forget a fun farm photo!



Minnesota Grown through the Minnesota Department of Agriculture can help you design marketing materials that accompany the MN Grown logo. Check out their website for more info: www.minnesotagrown.com

FARM TO GROCERY TOOLKIT

PROCESSING FOODS FOR SALE TO GROCERY STORES

Ren Olive, Jane Jewett, Kathryn Draeger, Karen Lanthier

Due in part to customer demand, locally grown and processed foods (e.g. peeled, cut, dehydrated, frozen, pickled, canned, etc.) are of growing interest to grocers. According to Duff & Phelps, a leading food retail analysis firm, grocery stores are seeing large growth in areas such as prepared foods and snacks, and locally grown foods.¹ Additionally, diversified supply chains (for stores) and markets (for farmers) provide more resilience to the food supply in times of crisis or need.

Some level of processing of fresh produce (such as peeling and cubing squash, or cutting broccoli into florets) has several potential benefits. It can allow consumers to buy smaller amounts and reduce food waste. It provides consumers who have limitations – kitchen space, equipment, skill level, etc. – with the opportunity to enjoy local produce. And, it allows use of produce that may have cosmetic imperfections; again reducing food waste

LEGALITY OF PROCESSED PRODUCE SALES

Farmers can process their own produce for sale to grocery stores (or any other buyer). Farmers are not required to have an MDA food license to process their own produce for sale unless they are:

- 1) adding off-farm ingredients; or
- 2) using produce they acquired from other farmers

This extends to processing techniques like peeling, slicing, shredding, bagging, wrapping of cut pieces, dehydrating, or freezing. An adequate, food safe environment in which to process is necessary.

For more information, see the MISA Factsheet on selling local produce:

(z.umn.edu/sellinglocalproduceMN).



PROCESSING PRODUCT OF THE FARM

Food safety is a number one priority when considering processing produce on farm. Current Good Manufacturing Practices (cGMPs; z.umn.edu/FDAGMP) must be followed, and the farm's processing area is subject to inspection (M.S. 31.04 - see revisor.mn.gov/statutes/cite/31.04)

Farms are permitted to do processing of their own produce without a license, as long as they only use their own products of the farm and do not add any off-farm ingredients. The processing can be done on the farm or at a different location, but either way the facility must be adequately equipped to meet CGMPs. The facility cannot be a home kitchen.

Even small amounts of salt, sugar, spices, and other purchased ingredients count as off-farm ingredients. Produce obtained from other farmers also counts as an off-farm ingredient. If farmers want to make a product with added off-farm ingredients, they can work with an MDA inspector to get licensed to do so.

To get in touch with your local inspector, call **651-201-6027** for the Minnesota Department of Agriculture, Food and Feed Inspection Division.

USING COMMERCIAL KITCHEN SPACES

Farmers and others who process or manufacture food products under a license must use a commercial-grade kitchen space that is approved by their MDA inspector. Some farmers invest in an on-farm kitchen facility, but an off-farm kitchen can be used with inspector approval.

For more information about building, managing, or operating as a tenant in a commercial kitchen, refer to the Commercial Kitchen Guide found at this link: z.umn.edu/MISAccommercialkitchen.

The bottom line is that all farms are obligated to ensure food safety even though a license may not be required.

cottage food law

Minnesota Statute 28A.152 Cottage Foods Exemption
Effective July 1, 2015

The Cottage Food Exemption is a way for individuals to make non-potentially hazardous foods in home kitchens, but this exemption only allows sales to individual customers through face-to-face transactions. The **Cottage Food Law does not allow for sales to businesses**, like grocery stores, who will then sell the product again through their business.

For more information on cottage foods, visit:
z.umn.edu/MISAcottagefood

Farmers who are interested in selling foods such as baked goods, jams and jellies, or any canned products to a grocery store, MUST contact the Minnesota Department of Agriculture for licensing.

ADDITIONAL HELPFUL LINKS

AURI Small Scale Food Processor Assistance:
auri.org/focus-areas/food/

This program is intended for small scale food manufacturers to receive help with recipe development, product formulation, scaling up, and nutrition labeling and testing.

UMN Extension

extension.umn.edu/food-safety/food-processors

Extension offers a training course for food processors.

Process authority support and review is required to process some products.

z.umn.edu/ProcessingAuthorities

Minnesota Institute for Sustainable Agriculture

For more information visit: z.umn.edu/RuralGrocery

1 Industry Insights: Food Retail Industry Insights - 2016. Duff & Phelps LLC. Retrieved from duffandphelps.com/assets/pdfs/publications/mergers-and-acquisitions/industry-insights/consumer/food-retail-industry-insights-2016.pdf



FARM TO GROCERY TOOLKIT

SAMPLE PRODUCT LABELS

Ren Olive, Jane Jewett, Kathryn Draeger, Karen Lanthier

This document contains sample product labels to help guide the labeling of local products. Boxes, totes, crates, or other packaging of products must be labeled for delivery to a grocery store. Stores are required to trace their products one step back, to their suppliers. Having products labeled when they come into the store enables that recordkeeping by the store.

PRODUCE (FRUITS, VEGETABLES, MUSHROOMS, HERBS)

Farm name
Farm owner name
Street Address
City or town
State
ZIP code
Statement of Identity
(what the product is)
Net weight or number of items

OPTIONAL, but encouraged:
Date harvested
Field or plot ID#

Example of produce box label:

Pretty Prairie Farm
Sally Flynn
90210 Bee Street
Anyville, MN 55555
Broccoli
20 heads
Date harvested: 9/12/2017
Field ID#: NW25A3



What is the Field or Plot ID#?

Answer: Assigning identification codes to fields or plots and tracking which fields produce was harvested from on a daily basis is an OPTIONAL practice for farmers. If a foodborne illness outbreak were ever traced to a particular farm, having records of when and where exactly the affected produce came from would help identify and fix the problem, and also might prevent a more general recall of all produce from that farm.

More detail about how to do traceability on a farm is available from U of MN Extension:
extension.umn.edu/safety/growing-safe-food

The field or plot ID# is part of the farm's own recordkeeping. Number or letter codes that the farmer assigns to production fields or plots should be recorded on a map of the farm.






MEAT AND POULTRY

Local meat or poultry products for sale in a grocery store must have been processed at either a USDA facility or a Minnesota Equal-To facility. The labeling of product will be done by the processing plant. Processing plants typically ensure correct labeling for farmers' products, but farmers should have a conversation about labeling with their butcher rather than assuming it will be correct. Packages of meat for sale in a grocery store must bear a proper mark of inspection, but the proper mark can vary depending on the product and the type of plant where it was processed.

Note: You might hear the mark of inspection referred to as the “bug.”

To find more information about meat labels, please visit: <https://www.mda.state.mn.us/food-feed/labeling-meat-products-mn-equal-plants>

CHART OF MEAT AND POULTRY INSPECTION MARKS (“BUGS”)

Poultry processed in USDA plant	
Poultry processed in MN Equal-to plant	
Domesticated livestock: beef, pork, lamb, goat – processed at a USDA plant	
Domesticated livestock: beef, pork, lamb, goat – processed at a Minnesota Equal-To plant	
Farm-raised game: bison, elk, deer – processed at a USDA plant	

Farm-raised game: bison, elk, deer – processed at a Minnesota Equal-To plant



EGGS

Egg labeling is subject to federal regulations that have been adopted by the State of Minnesota. The labeling requirements appear in Minnesota Rules 1520.1600 through 1520.2000. (www.revisor.mn.gov/rules/1520/)

Egg containers of any type must be plainly and conspicuously labeled with:

- Product identity
- Grade and size
- The words “Packed for:” or “Distributed by:” followed by the name and address of producer
- The statement “Perishable. Keep Refrigerated.”
- The pack date in Julian date format and the quality assurance date (“Sell by:” or “Use by:”) in calendar date format. The quality assurance date is 30 days after the packdate.
- The word “Fresh” can only be used on eggs less than 30 days from date of candling & grading.

Federal law also requires Safe Handling Instructions on the label of containers of eggs sold at retail. For more information, please visit: <https://www.fda.gov/regulatory-information/search-fda-guidance-documents/guidance-industry-food-labeling-guide>

Example of egg label:

12 Grade A Large Eggs	Safe Handling Instructions: To prevent illness from bacteria: keep eggs refrigerated, cook eggs until yolks are firm, and cook foods containing eggs thoroughly.
Perishable: Keep refrigerated	
	
Distributed by: Pretty Prairie Farm, Sally Flynn 90210 Bee Street Anyville, MN 55555	Pack date: 289 Use by: 11/14/16

GRAINS, DRY BEANS, MAPLE SYRUP

Grains and dry beans are rarely consumed raw, and are often commingled and stored for extended periods of time. Honey is gathered by bees that are not restricted to particular fields. Maple syrup is frequently a commingled product from several sites over time. Therefore, the identification of field or plot and date of harvest are not meaningful for these products like they are for fresh produce. Do not include them on the label.

Grain, Dry Bean, or Maple Syrup
label:

Farm name

Farm owner name

Street Address

City or town

State

ZIP code

Statement of Identity

(what the product is)

Net weight in lbs. or oz.

Net weight

Example of dry bean package label:

Pretty Prairie Farm

Sally Flynn

90210 Bee Street

Anyville, MN 55555

**Black Turtle
Beans**

50 lbs.

HONEY

Grade is optional on honey labels. If honey grade is included on the label, it must be correct according to USDA standards and verified by a USDA grader. Type of honey is optional on honey labels. If the plant type the honey came from is shown, it must be correct. Honey labels can show either net weight or measure of honey. If the honey is labeled by fluid ounces, specify Fl. Oz. on the label.

More information on honey labeling: www.mda.state.mn.us/honey-label-requirements

Honey label:

Farm name

Farm owner name

Street Address

City or town

State

ZIP code

Statement of Identity

(what the product is)

Optional: plant source of the honey

Net weight in lbs. or oz.; or fluid measure in fl. oz., qts., or gal.

Optional: Grade

Net weight

Example of honey package label:

Pretty Prairie Farm

Sally Flynn

90210 Bee Street

Anyville, MN 55555

Clover Honey

1.25 lbs.

OTHER PRODUCTS

Multi-ingredient products using local ingredients must be made under an MDA license in order to be sold in a grocery store. Label requirements will vary depending on product and how it is packaged. Food makers will receive information about labeling as part of their licensing process.

Products that include any of the eight common allergens must be labeled according to the federal Food Allergen Labeling and Consumer Protection Act. The eight common allergens that account for 90% of all food allergies are: milk, eggs, fish, crustacean shellfish, tree nuts, peanuts, wheat, and soybeans.¹

For more information visit: z.umn.edu/RuralGrocery

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¹ <https://www.fda.gov/food/food-allergens/gluten-free-guidance-documents-regulatory-information/food-allergen-labeling-and-consumer-protection-act-2004-questions-and-answers>

FARM TO GROCERY TOOLKIT

SAMPLE INVOICING TEMPLATE

Farmers, consider including this information in your invoices when you partner with rural grocery stores.

For a downloadable template to use, please visit: z.umn.edu/EditableInvoiceTemplate

(This sample invoice was used with permission from MISA, found in the Food from Farms Toolkit - Appendix E <https://www.misa.umn.edu/publications/directpurchasingtoolkit>).

Customer Information -

Include the grocery store (or customer) address, phone number, and any other relevant information. When the customer sends payment, you can easily note it as received in your own records.

Description of the Goods Purchased -

This should be noted so that it is clear what the grocer partner is purchasing.

Delivery/Pick-up Date - Note the delivery/pick-up date and time agreed upon between you and the grocer partner on the invoice. Note the actual deliver/pick-up time when it occurs.



Pretty Prairie Farm

Sally Flynn
90210 Bee Street
Anyville, MN 55555
320-333-1234
www.prettyprairie.com

Invoice #: 1234
Date of invoice: 10/24/15
Purchaser:
Anyville Elementary School
10112 XYZ Ave
Anyville, MN 55555

Your Information

- Include your farm's name, address, telephone, and e-mail so that the grocer purchaser can quickly call you with questions about the bill or information about payment if any hiccups arise.

Description	Quantity (lbs.)	\$/unit	Total
25 Whole Chickens	130.23	\$2.75	\$358.13
TOTAL			\$358.13

Amount Due - This seems obvious, but is key to avoiding any confusion. Consider displaying the price per unit of each item, the total amount due for each item given the amounts being delivered, and the total amount due for the entire transaction.

Delivery Date/time: _____

Payment due: _____

Payment Agreement Date or Range - Discuss an agreed upon payment date in advance and how that payment will be delivered. Grocery stores may process payments weekly, bi-weekly, or monthly rather than an on-the-spot payment transaction that is common to most direct marketing (farmers markets, farm stands).

Help! I don't have letterhead for my farm!

(This document is used with permission from MISA, found in the Food from Farms Toolkit – Appendix E <https://www.misa.umn.edu/publications/directpurchasingtoolkit>).

If you don't have a letterhead established for your farm, it is easy to create one in a word processing program.

At the top of a document, type in the following information:

Your farm name

Your name

Your street address

City/State/Zip

Your phone number(s)

Your website or Facebook page

Example:

Pretty Prairie Farm

Sally Flynn

90210 Bee Street

Anyville, MN 55555

320-333-1234

www.prettyprairie.com

Choose whether you want the words on the left-hand side, centered, or right-hand side of the page.

Convert your farm name to a font style you like. Put it in a larger font size, or in bold-face or Italics.

Add your farm logo or a design that symbolizes your farm if you have one.



That's it! Save the document as "letterhead." If you don't have your own computer or printer, have a printing shop or a friend print blank copies of the letterhead for you. Then you can handwrite information on the blank letterhead sheets. If you have a computer and printer, anytime you need to use letterhead open the letterhead file and save it with a new filename that describes the document; for example: "potatoes_invoice_Oct13_2020." Add your product information on the document below the letterhead. Save the file when you are done.

For more information visit: z.umn.edu/RuralGrocery

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Farm Logo Here

Your farm name
Your name
Your street address
City/State/Zip
Your phone number(s)
Your website or Facebook page

DESCRIPTION	QUANTITY (lbs, etc)	\$/UNIT	TOTAL
TOTAL			

Delivery Date Expected: _____

Delivery Date Actual: _____

Payment Due Date: _____

Thank you for your business and for supporting our local economy!