

# Expanding Produce Sales through Farmers’ Market Aggregation

Toolkit for Market Managers

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## Definitions

**Aggregator:** An aggregator is an individual or business entity that collects and sells product from multiple sources. Some examples of aggregators of farmers' produce: a farmers' market, a food hub, a distributor, or an individual farmer who does the product marketing for several other farmers.

**Distributor:** An aggregator with storage and transportation capacity to collect, hold, and move products from multiple sources to multiple buyers.

**FSMA:** Food Safety Modernization Act of 2011. This overhaul of food safety regulations on the United States food industry focuses on prevention of foodborne illness. FSMA includes 7 Rules, one of which is the Produce Safety Rule. More about FSMA: <https://www.fda.gov/Food/GuidanceRegulation/FSMA/>

**GAPs:** Good Agricultural Practices. These are voluntary on-farm food safety standards implemented by the produce industry in the wake of foodborne illness outbreaks, and widely adopted as a requirement by produce distributors.

**Produce:** The Minnesota Department of Agriculture (MDA) Food & Feed Licensing division defines "Produce" as "fruits, vegetables, herbs, mushrooms, and nuts." This definition is based on federal Food Safety Modernization Act definitions contained in 21 Code of Federal Regulations 112:  
<https://www.federalregister.gov/documents/2015/11/27/2015-28159/standards-for-the-growing-harvesting-packing-and-holding-of-produce-for-human-consumption#p-2070>

**Specialty Crop:** Defined by the USDA-Agricultural Marketing Service (AMS) as "... fruits and vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture)... cultivated or managed and used by people for food, medicinal purposes, and/or aesthetic gratification." Does not include livestock or grain crops. Detailed definition: <https://www.ams.usda.gov/services/grants/scbgp/specialty-crop>

**Wholesale Food Handler:** A license type issued by the MDA Food & Feed Licensing division to entities that aggregate and/or distribute food products, with sales primarily ( $\geq 51\%$ ) to other wholesale or retail entities that will re-sell the product.

## Introduction

Some farmers' markets have opened new markets for their vendors by aggregating and selling farmers' produce to larger buyers. This is not a brand-new idea. In the early 1900s and before, farmers' markets were a primary distribution point for fresh produce. Before railways and refrigeration made long-distance shipping of large quantities of produce feasible, it was very common for farmers to regularly bring wagon loads of produce in to central collection points in cities, where grocers and chefs would shop for the products to put on their shelves or on the plates they served. Farmers' markets evolved to become primarily direct farmer-to-consumer experiences, but the potential to function as a wholesale distribution point never completely went away.

Now, some markets are resurrecting that function. Farmers are able to grow more produce than they can sell directly to individual consumers, and are looking for other markets. Local food is growing in popularity, and institutional buyers like schools and healthcare facilities are looking for ways to gain access to it. Farmers' markets might be able to step into that middle position between the farmers and the buyers, and facilitate local sales of large produce orders – without a great deal of expensive overhead costs.

The Aggregation Manager at a farmers' market has a key role in success of the market as a food hub. There are a lot of pieces to this kind of enterprise. The manager must understand each piece and how it fits with the other pieces. This manual provides details, advice, and templates for putting all those pieces together.

# Summary of Aggregation Manager Role

## Market Legal Entity:

- Determine legal entity status of the farmers' market
- If the farmers' market is not organized as a legal entity, reach out to the Minnesota Farmers' Market Association for assistance in getting legal entity status.  
<https://www.mfma.org>

## Market Insurance:

- If your market is purchasing insurance separately from MFMA, check with your agent to be sure the above items are covered.
- If your market is city-run, work with your city administrators to be sure they understand the insurance needs of farmers' market aggregation.

## Market Funding

- Reach out for help within your community – both directly for funds and for help in asking for funds.

## Market Equipment & Supplies

- Identify existing market equipment that can be used for the aggregation project
- Procure additional needed equipment

## Licensing the Market

- Understand the legal requirements for farmers' market aggregation  
  
Selling Minnesota: Aggregation of Farmers' Produce. 2017. Minnesota Farmers' Market Association and Minnesota Institute for Sustainable Agriculture.  
[http://misadocuments.info/LFAC\\_aggregation\\_produce.pdf](http://misadocuments.info/LFAC_aggregation_produce.pdf)
- Develop your market food safety plan
- Contact MN Department of Agriculture Licensing Liaison to schedule a visit with an inspector
- Provide information needed by the inspector and secure a license

## Legality of Products

- Ensure legality of products purchased and sold by the farmers' market

## Market Finances

- Understand the costs associated with the aggregation enterprise at your market
- Determine a product sales goal and percentage mark-up needed in order for the aggregation enterprise to be sustained.
- Work with both suppliers and buyers to arrive at pricing that is fair to the farmers and acceptable to the buyers.

## Suppliers

- Establish the farmers' market's requirements for suppliers to the aggregation enterprise
- Request copies of documents from suppliers and keep them on file, to record their compliance with the market's requirements.

## Buyers – Legality of Product

- Be aware of legality of local food purchasing by food businesses
- Ensure that potential buyers are aware of the legality of purchasing from the market
- Stand ready to refer buyer concerns about legality to the FMAP project team

## Buyers – Price

- Become educated about typical price ranges for products available from your market.
- Educate buyers and suppliers about realistic expectations around price.
- Remember that local food has value beyond the commodity price. Do not sell your farmers' market short.

## Buyers – Product Standards

- Collect information from buyers about their product standards

- Clearly communicate buyer requirements to suppliers
- Ensure that products meeting the correct standards are delivered to buyers

#### Buyers – Product Quantity and Timing

- Obtain estimates from suppliers of quantity and timing of availability of products.
- Find out from buyers what their quantity and timing requirements are, and how much flexibility they have in ordering.
- Educate buyers about seasonality of products.
- Educate suppliers about buyer requirements.

#### Ordering & Invoicing

- Introduce the Local Line system to buyers and suppliers
- Monitor and correct problems with Local Line entries
- Provide requested documents to buyers

#### Day-of-Market Activities

- Create Standard Operating Procedures (SOPs) for day-of-market operations
- Conduct and supervise day-of-market activities

#### Payments to Suppliers

- Set guidelines for payment disbursement to suppliers
- Collect W-9 forms from suppliers if needed
- Ensure payment information is provided to the person responsible for issuing payments
- Ensure payments are made to suppliers

# Chapter 1: The Market

## Legal entity

If your farmers' market has until now been an informal organization, you will need to form a legal entity in order to do business as an aggregator. There are several different options for becoming a legal entity, and resources available.

Some of the most common legal entities for farmers' markets:

501(c)(3): Non-profit with a charitable purpose. The market must have a mission that includes educational or charitable activity.

501(c)(5): Non-profit for the purpose of promoting agricultural or horticultural sales. The market can have this legal status and still include vendors who sell non-agricultural products.

501(c)(6): Non-profit business or trade association.

City-owned: The market comes under a municipality's legal structure.

Aggregation manager's role:

1. Determine legal entity status of the farmers' market
2. If the farmers' market is not organized as a legal entity, reach out to the Minnesota Farmers' Market Association for assistance in getting legal entity status.

<https://www.mfma.org>

Resources:

MFMA Farmers' Market Manual. Minnesota Farmers' Market Association.

<https://www.mfma.org/page-18065> (print copy, \$35)

Exemption Requirements – 501(c)(3) Organizations. Internal Revenue Service.

<https://www.irs.gov/charities-non-profits/charitable-organizations/exemption-requirements-section-501c3-organizations>

Labor and Agricultural Organizations. Internal Revenue Service.

<https://www.irs.gov/charities-non-profits/other-non-profits/labor-and-agricultural-organizations>

Exemption Requirements: Business Leagues. Internal Revenue Service.

<https://www.irs.gov/charities-non-profits/other-non-profits/requirements-for-exemption-business-league>

## Funding

Every market will have a different situation regarding access to funds. City-run markets may be partially or wholly funded by the municipal government. In some counties, the Statewide Health Improvement Partnership (SHIP) may have funds available for local food projects. Other potential funding sources include local energy cooperatives, philanthropic organizations, and private donors.

Local food and access to local food are important to many individuals and communities. There is often support available for farmers' market aggregation projects that make local food available to more people.

Aggregation manager's role:

- Reach out for help within your community – both directly for funds and for help in asking for funds.

Example of 2017 funding opportunity from Wabasha County SHIP:

What does partnering with Farmers Markets success look like? Increase access to and availability of farmers markets in communities with the greatest need, for example, where access to affordable fruits and vegetables is challenging and chronic disease rates are high and or where there are people most impacted by structural racism, bias and inequity. Ensure the market is easily accessible for those without motorized transportation. Engage and collaborate with farmers and markets to enhance or develop supporting infrastructure and increase market demand to ensure economic viability. Remember the objective is always to increase access to fruits and vegetables and reduce access to sodium, added sugar and saturated fat. Allowable environmental changes can include the following:

- Start-up costs such as a sorting table, a tent, storage, hand washing stations
- Websites featuring opportunities such as locations, hours, programming, and fees
- Local newspaper and radio ads
- Signage, banners, posters and display materials
- Food for SHIP strategic events
- Food demonstration projects (cost for demonstrator and the food) to show how to prepare healthy meals to food service staff or others responsible for implementing Policy, Systems, and Environmental changes
- Displays of healthy food alternatives
- Signage displaying rules for a particular establishment or activity related to SHIP strategies
- Office supplies necessary to conduct the work of the SHIP project
- Start-up costs of reasonable photocopying, printing, postage and office supplies
- Conferences and trainings which will lead to related skill development and and/or policy changes related to SHIP strategies
- SHIP grantees may spend up to \$1,500 per site for partner staff time to develop and implement PSE strategies, but may not exceed \$500 per person.
- Food aggregation and distribution
  - Wholesale Food Handler's License (first year only)
  - Online ordering platform (first year only)
- EBT Specific
  - EBT/credit card readers (\$500 or less)
  - Tokens (\$1 for EBT/\$5 for credit card)
  - Tent
  - Folding Table
  - Folding Chair
  - Cash Box or lockable storage box
  - EBT Market Bucks Match (one-time start-up; needs pre-approval)

Approval of expenses and mini grant applications is dependent on the Wabasha County Statewide Health Improvement Partnership Community Leadership Team and the Minnesota Department of Health.

Send completed applications electronically to: [xxxx@co.wabasha.mn.us](mailto:xxxx@co.wabasha.mn.us)

## Equipment & Supplies

Markets acting as aggregation and distribution centers – food hubs – require some equipment in order to operate. A permanent physical structure is not required, but a dedicated space for operations is needed. Equipment such as a canopy and supplies such as boxes are needed order to protect food safety and meet the requirements for a license.

Aggregation manager's role:

- Identify existing market equipment that can be used for the aggregation project
- Procure additional needed equipment

Checklist of start-up equipment, supplies, support services:

- Online sales platform subscription
- Electronic device for accessing online sales platform & recordkeeping files
- Pop-up canopy (sidewalls preferred)
- Table(s)
- Handwashing station
- Trade-legal scale
- Receipt book with duplicate pages
- Totes or other re-usable containers
- Cardboard boxes
- Plastic bag liners for boxes
- Spray bottles for sanitizing surfaces
- Soap, paper towels, sanitizer

## Insurance

It's a good idea for farmers' markets to require each vendor to have their own insurance. The market itself should also be insured to cover liability for incidents that may occur in the market's common space.

General liability insurance for farmers' markets is offered by the Minnesota Farmers' Market Association. Insurance may also be obtained by individual markets from other insurers. The insurance offered through MFMA includes:

- Product liability for products sold by the farmers' market legal entity
- Coverage for drivers delivering products for the farmers' market

Aggregation manager's role:

- If your market is purchasing insurance separately from MFMA, check with your agent to be sure the above items are covered.
- If your market is city-run, work with your city administrators to be sure they understand the insurance needs of farmers' market aggregation.

## Licensing Farmers’ Market Aggregation

The farmers’ market will be operating as an aggregator and distributor of farmers’ products. The market must be licensed for that activity.

- 1 license is needed, per entity AND per physical location.
- 51% Rule: The license type depends on which activity accounts for the majority of the annual income.
  - Exception to 51% Rule: Food Broker licensing excludes other types of activity. If activities include Food Broker at any percentage less than 100%, the license will not be Food Broker.
  - Facility requirements don’t follow the 51% Rule. If some activities require a commercial kitchen, that is required even if the majority of activities don’t require it.
- No license is needed for activities that do not involve ownership of food, food handling, or invoicing.

<ul style="list-style-type: none"> <li>• No license is needed for activities that do not involve ownership of food, food handling, or invoicing.</li> </ul>		
<p>Four Possible License Types for Farmers’ Market Aggregation in Minnesota:</p>		
License type	Activity	\$ license fee/year
Wholesale Food Handler	Sell: <ul style="list-style-type: none"> <li>• whole, raw produce</li> <li>• packaged product of the farm</li> <li>• packaged food produced under a license</li> </ul> Sell to: <ul style="list-style-type: none"> <li>• Grocery stores</li> <li>• Restaurants</li> <li>• Schools</li> <li>• Health care facilities</li> </ul>	\$57
Retail Food Vehicle, Portable Structure or Cart  (This applies to markets setting up temporary structures for	Sell: <ul style="list-style-type: none"> <li>• whole, raw produce</li> <li>• packaged product of the farm</li> <li>• packaged food produced under a license</li> </ul>	\$77

collecting, packing, and holding produce)	Sell to: <ul style="list-style-type: none"> <li>Individual end consumers</li> </ul>	
Retail Food Handler  (This applies to markets that have a permanent physical facility such as a kitchen or indoor packing area)	Sell: <ul style="list-style-type: none"> <li>whole, raw produce</li> <li>packaged product of the farm</li> <li>packaged food produced under a license</li> <li>meal kits that include pre-measured oils, spices, etc. in addition to farmers' products</li> </ul> Sell to: <ul style="list-style-type: none"> <li>Individual end consumers</li> </ul>	\$77
<b>License type</b>	<b>Activity</b>	<b>\$ license fee/year</b>
Food Broker	Sell: Any product except Cottage Food, but the Food Broker never physically handles the product.	\$150

**Example:** A farmers' market organization operates the aggregation activities at two locations in town, commingling produce and making deliveries to buyers. Each location needs a separate wholesale food handler license.

**Example:** A farmers' market sells market share boxes to individual end consumers (retail) and also sells large orders to the local school and hospital (wholesale). Market share boxes bring in the majority of the income, so the market gets a retail license.

**Example: Food Broker**

<b>Orchard</b>	<b>Farmers' Market (food broker)</b>	<b>School</b>
grows apples	Buys apples & re-sells to school without taking physical possession of apples	Orders apples from farmers' market online catalog
Delivers product of the farm (apples) as directed by farmers' market	Directs the farmer to deliver apples to the school	Pays the farmers' market for apples
	Pays the farmer for apples	

**Example:** The market manager makes introductions between farmers and buyers, but never handles ordering or billing. The market does not take possession of product or make deliveries. No license is needed.

**Example:** The market produces meal kits once per month that include farmers' products but also the pre-measured oils, salt, pepper, other spices, and sauces needed to prepare the meal. The market needs an approved indoor facility to create these meal boxes, but they account for less than half of the market's total sales. Most of the market's sales are wholesale, so the market gets a wholesale food handler license.

Aggregation manager's role:

- Understand the legal requirements for farmers' market aggregation

Selling Minnesota: Aggregation of Farmers' Produce. 2017. Minnesota Farmers' Market Association and Minnesota Institute for Sustainable Agriculture.

[http://misadocuments.info/LFAC\\_aggregation\\_produce.pdf](http://misadocuments.info/LFAC_aggregation_produce.pdf)

- Develop your market food safety plan
  - Adapt the clean containers, clean transport, and personnel hygiene policies found on the next several pages.
  - Write down the market's answers to inspectors' frequently asked questions (below, under Licensing Tips.)

- Contact MN Department of Agriculture Licensing Liaison to schedule a visit with an inspector:

Food Licenses. Minnesota Department of Agriculture.

<https://www.mda.state.mn.us/food-feed/food-licenses>

- Provide information needed by the inspector and secure a license for the market's aggregation enterprise.

Licensing Tips

Inspectors may differ in their requirements for inspections at farmers' markets. Here is a list of items that may be requested:

- A figure for **anticipated gross annual food sales**. The license fee depends on this number.
- **Workers' Compensation Insurance information**, including the policy number, name of the insurance company, effective date and expiration date. This part applies to any market that has paid employees, whether they work directly for the aggregation project or not.

- The **type of organization** under which your farmers' market falls. Is it a nonprofit, and LLC or sole proprietorship, etc?
  
- Answers to the following frequently asked questions:
  - Where will the produce be held during and after the market?
  - How will you keep produce at least 6 inches off the ground?
  - What will you do if produce falls to the ground?
  - What will you do if boxes look well-used?
  - How will produce-contact surfaces be cleaned and sanitized?
  - Will you do any processing of produce at the market?
  - What is the source of water for hand washing?
  - Do you have a worker hygiene and illness policy?
  - Do you have a container cleaning policy signed by whomever will do cleaning?
  - Do you have the delivery driver policy signed by whomever will deliver product?
  - How will you track product from supplier and product to buyer?

Resources to help answer inspectors' questions

Find these sample policies and procedures on the following pages:

1. Personnel Hygiene & Illness Policy
2. Clean Transport of Produce Policy
3. Container Cleaning & Sanitizing Policy
4. Handwashing Stations
5. Surface Cleaning & Sanitizing Procedure
6. Traceability Protocol for Farmers' Market Aggregation

## 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 farmers' market doing aggregation tasks, such as sorting and packing produce, 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> )

I understand the Market's Personnel Hygiene & Illness Policy and agree to comply.

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Name	Date
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Farmers' Market Representative	Date
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## 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 for the Farm to Table program through the \_\_\_\_\_ Farmers Market 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.**

More information about Acceptably Clean Transport of Produce:

[http://misadocuments.info/Acceptably\\_Clean\\_Transport\\_of\\_Produce.pdf](http://misadocuments.info/Acceptably_Clean_Transport_of_Produce.pdf)

Detailed standards for clean transport are in Minnesota Rules 1550.0930 – 1550.1020:

<https://www.revisor.mn.gov/rules/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.

I understand that I am responsible for transporting food safely and that my vehicle is subject to inspection by the Minnesota Department of Agriculture.

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Driver	Date
--------	------

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Market Representative	Date
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## Container Cleaning and Sanitizing 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.

**Participating in the Farmers' Market Food Hub program through the \_\_\_\_\_ Farmers' Market means that you will be responsible for cleaning the plastic containers that transport the produce from the market to your facility. This is necessary because the market does not have its own washing facility.**

By signing this agreement you agree to:

- Safely wash, rinse and *sanitize* the produce containers at your facility
  - Wash containers in a dishwasher or hand-wash with dish detergent
  - Sanitize washed containers with a food-safe sanitizing solution
- Minimize the potential for cross contamination
  - Store washed containers in a clean location
  - Restrict use of produce containers to farmers' market produce only. If something other than produce is inadvertently placed in a produce container, that container must be cleaned and sanitized again.
- Inspect containers to ensure they are in good repair.
  - Mark damaged containers for discard.

(For detailed information about cleaning and sanitizing of food contact surfaces, see Minnesota Rules 4626.0840-4626.0890 and 4626.0895-4626.0905; available online: <https://www.revisor.mn.gov/rules/4626/> )

I agree to follow the Market's Container Cleaning and Sanitizing Policy

\_\_\_\_\_  
Authorized signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Farmers' Market Representative

\_\_\_\_\_  
Date

## Cheap, Easy, Portable Handwashing Station

Assemble a portable handwashing station with easy-to-find, inexpensive components:

- Water jug
- Folding table
- \* Two 5-gallon buckets
- \* Liquid soap
- \* Paper towels

**\*\*Note:** Waste water must be disposed of in a sanitary sewer, not dumped on the ground.



Portable Handwashing Station Components		
Item	Specifications	\$ range
Water jug	<ul style="list-style-type: none"> <li>• MINIMUM of 5-gallon capacity</li> <li>• Flip-spout or turn-spout that will stay open on its own (Not a spout where you have to press &amp; hold a button.)</li> </ul>	\$10-\$35
Two 5-gallon buckets	<ul style="list-style-type: none"> <li>• One for waste water</li> <li>• One for paper trash</li> </ul>	\$2 - \$5 each
Small folding table	<ul style="list-style-type: none"> <li>• Sturdy enough to hold a full water jug</li> </ul>	\$30
Liquid soap in dispenser	<ul style="list-style-type: none"> <li>• Anti-bacterial soap is NOT required</li> </ul>	\$2 - \$4
Paper towels		\$1
Paper towel holder	OPTIONAL	\$10 - \$15
<b>TOTAL COST:</b>		<b>About \$55</b>

## Surface Cleaning and Sanitizing Procedure

### A. Surfaces to be sanitized

- a. Table tops
- b. Totes
- c. Scale
- d. Other surfaces that may come in contact with produce

### B. Timing

- a. Before aggregation activities start
- b. After aggregation activities have taken place

### C. Products

#### 1. [Sanidate](#)

- a. May use concentrate, spray bottle (already diluted) or wipes.
- b. If diluting from concentrate, test final concentration with test strip.
- c. Use products that are food-grade preparations only (i.e. no scented products, no added ingredients).

#### 2. [Bleach](#)

- a. Use in concentrations of 50-100 ppm.
- b. Use food-grade bleach products (unscented, no added ingredients).
- c. After dilution, test concentration with a test strip because different brands of bleach have slightly different concentrations.

### D. Resources

#### 1. Information on [sanitizing with bleach](#) from UC Davis

<http://ucfoodsafety.ucdavis.edu/files/26437.pdf>

#### 2. Minnesota Rule [4626.0805 4-501.114](#) MANUAL AND MECHANICAL WAREWASHING EQUIPMENT; CHEMICAL SANITIZATION, TEMPERATURE, PH, CONCENTRATION, AND HARDNESS.\*

- A. A chemical sanitizer used in a sanitizing solution for a manual or mechanical operation at the exposure times specified in part [4626.0905](#), item C, shall be listed in Code of Federal Regulations, title 21, section 178.1010, or in Minnesota Statutes, chapter 31. The sanitizer shall be used according to this part and the manufacturer's label approved by the federal Environmental Protection Agency.
- B. The sanitizer shall not exceed the amount specified on the manufacturer's label approved by the federal Environmental Protection Agency.
- C. If a sanitizer is used in an amount less than the maximum amount specified on the label in item B, the sanitizer shall be used as specified in this item.

- (1) Unless the product label specifies otherwise, a **chlorine solution shall have a minimum concentration of 50 ppm** and:
  - (a) a minimum temperature of 24 degrees C (75 degrees F) for water with a pH of eight or less; or
  - (b) a minimum temperature of 38 degrees C (100 degrees F) for water with a pH of 8.1 to 10.
- (2) An iodine solution shall have:
  - (a) a minimum temperature of 24 degrees C (75 degrees F);
  - (b) a pH of 5.0 or less, unless the manufacturer's use directions included in the labeling specify a higher pH limit of effectiveness; and
  - (c) a concentration between 12.5 mg/L and 25 mg/L.
- (3) A quaternary ammonium compound solution shall
  - (a) have a minimum temperature of 24 degrees C (75 degrees F);
  - (b) have a concentration specified in part 4626.1620 and as indicated by the manufacturer's use directions included in the labeling; and
  - (c) be used only in water with 500 mg/L hardness or less or in water having a hardness no greater than specified by the manufacturer's label.
- D. Mechanical warewashing equipment shall be equipped with a visual or audible warning device to permit the operator to easily verify when the sanitizing agent is depleted.
- E. Other chemical sanitizers may be used if they are applied according to the manufacturer's use directions included in the labeling.

## Traceability Protocol for Farmers' Market Aggregation

Traceability provisions under federal law were established in the Public Health Security and Bioterrorism Preparedness and Response Act of 2002<sup>1</sup> (Bioterrorism Act), nine years prior to the signing of the Food Safety Modernization Act (FSMA). The Bioterrorism Act established the tracing of food one step back and one step forward at each point in the food system, starting when product leaves the farm gate. Farms and retail food businesses are exempt from some provisions of the Bioterrorism Act, but the traceability requirements established in this law have become the food industry standard.

The FSMA Produce Safety Rule does not currently include traceability requirements<sup>2</sup>. The FSMA law gives FDA the authority to develop traceability requirements for all food. FDA intends to develop those standards in the future, but for now, the traceability requirements in law are those established by the Bioterrorism Act.

Generally, this means that within-farm traceability of product is optional for farmers. Farmers are not legally obligated to trace product to the field or plot level.

The buyers of product must be able to trace one step back and one step forward. That means the first buyer of produce for distribution – in this case the farmers' market – needs to collect information on the farmer(s) who supplied the produce.

Traceability for farmers supplying produce to the farmers' market aggregation enterprise

*One step back: Optional*

Farmers decide their relative tolerance for risk vs. paperwork. If there was ever an illness outbreak traced back to a farm, good daily harvest records and a traceability system that tracks back to fields or plots and harvest dates could prevent a recall of the entire farm's produce.

Development and implementation of an on-farm traceability system is not a small task. If the farm is very small, a farmer may decide on-farm traceability is not necessary.

If a farmer wants to implement on-farm traceability, here are some resources:

National Good Agricultural Practices Program: Traceability.

<https://gaps.cornell.edu/educational-materials/decision-trees/traceability/>

Produce Safety Alliance Grower Training Course. 2017. Version 1.1. Module 7, sections 18-28.

<http://producesafetyalliance.cornell.edu/mod7>

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<sup>1</sup> Registration of Food Facilities Under the Public Health Security and Bioterrorism Preparedness and Response Act of 2002. <https://www.fda.gov/ICECI/ComplianceManuals/CompliancePolicyGuidanceManual/ucm122876.htm>

<sup>2</sup> Produce Safety Alliance Grower Training Course. 2017. Version 1.1. Module 7, Section 18. <http://producesafetyalliance.cornell.edu/mod7>

*One step forward:*

Label containers of produce delivered from the farm to the farmers' market aggregation enterprise with:

Farmer name (or farm name if the farm is a registered entity such as an LLC)  
Complete business address of the farm

Record shipments (item, quantity, date) made to the farmers' market aggregation enterprise.

Traceability for the farmers' market aggregation enterprise

*One step back:*

Identify and record the farms that contributed product to each order:

- Farmer name (or farm name if the farm is a registered entity such as an LLC)
- Complete business address of the farm  
(this can be recorded once, rather than with every sale)

*One step forward:*

Label boxes or containers of produce from the farmers' market aggregation enterprise with:

- Farmers' market name
- Complete business address of farmers' market

Identify and record the buyer of an order:

- Buyer name
- Complete business address of the buyer  
(this can be recorded once, rather than with every sale)

Your market may use an online ordering platform that tracks suppliers, buyers, and sales information for you. If that is the case, you do not need to keep a separate tracking log.

Make sure your online platform does have the ability to generate a report for traceability purposes that includes:

- Date of sale
- Order number and/or container number
- Quantity and type of product sold
- Supplier(s) for each container
- Buyer

## Example Traceability Log

Date	Box #	Product	Supplier	Quantity sold (lbs)	Buyer
9/05/18	001	Tomatoes	Farm M	10.42	The Village
9/05/18	001	Tomatoes	Farm K	8.00	The Village
9/05/18	002	Cucumbers	Farm B	27.50	The Village
9/19/18	003	Peppers, green	Farm A	10.50	The Village
9/19/18	004	Tomatoes	Farm A	8.46	The Village
9/19/18	004	Tomatoes	Farm Z	21.38	The Village
9/19/18	004	Tomatoes	Farm K	12.32	The Village
9/19/18	005	Cucumbers	Farm Z	20.60	The Village
9/19/18	005	Cucumbers	Farm B	19.70	The Village
10/02/18	006	Tomatoes	Farm Z	50.72	The Village
10/02/18	007	Tomatoes	Farm K	20.00	ISD #XX99
10/02/18	008	Tomatoes, cherry	Farm K	12.68	ISD #XX99
10/02/18	009	Peppers	Farm A	7.50	ISD #XX99
10/02/18	010	Squash, Hubbard	Farm B	52.03	The Village
10/17/18	011	Cabbage, green	Farm E	49.92	The Village
10/24/18	012	Squash, butternut	Farm S	54.80	The Village
10/31/18	013	Squash, delicata	Farm S	100.00	ISD #X888
10/31/18	014	Squash, delicata	Farm S	20.00	ISD #XX99

## Example Inspection Report: Wabasha Farmers' Market

### General Regulatory Inspection No. Of Risk Factor/intervention Violations No. Of GRP Violations

Minnesota Department of Agriculture Food and Feed Safety Division 651201 6027 625 Robert ST N Saint Paul, MN 55155-2538

**NIA**

**Start Date: 9/9/2016 End Date: 9/9/2016 Inspection ID :**

NIA

**Establishment: WABASHA FARMERS MARKET**

**County: wabasha**

**Address: Aleghany Avenue and Main Street License Holder: WABASHA DOWNTOWN FARMERS MARKET**

**CHy/State: Wabasha, zip: 55981 MN Inspection Reason:**

**Risk Category: Licensing**

Low Risk

**License/Permit#:**

**Telephone: 7154422488**

### **Regulatory Actions**

57. Additional Regulatory Actions

Out

Observations and Corrective Actions Violations cited in this report must be corrected within the timeframes below

### **Repeat Violation**

**Item Number**

**Violation of**

**Comment**

Correct By Date Code 57. MS 28A.04

Submit a food handler license application with proper fees to the regulatory 9/16/2016

authority. (A wholesale food handler license application was provided to firm on this date. Firm completed the application and stated they would submit it to MDA licensing along with the appropriate fees.)

### **Additional Notes**

A licensing inspection was conducted on this date by this Inspector. A Notice of Inspection was issued on 9-9-16 to Ms. Sara George, Market Manager. The firm is a small size tent/booth set-up that intends to conduct the following activities: Purchase produce from farmers market vendors to sort and distribute fresh produce to local schools, hospitals, and restaurants.

[Firm intends to purchase the produce from local farmers market vendors. Firm will commingle, sort, pack it and distribute the produce to their customers following the Clean Transport of Produce policy. Firm's booth/tent consists of a large 12 X 12 portable canopy with no walls, and the floor will be street cement. A gravity fed hand wash station will be available for use. Firm will have an approved food contact sanitizer and test kit for sanitizing their sorting table and scale. Discussed the washing, rinsing, and sanitizing process for this step.

All sorted produce will go into containers that are in clean and good condition to be delivered. All products delivered will not require any sort of refrigeration since it will be fresh produce only. Firm understands that they are not approved to wash, cut, and trim any |produce because they do not have the appropriate facilities to do so. Firm also understands they are not approved to deliver refrigerated potentially hazardous foods without proper mechanical food truck or trailer.

Firm will have a written policy and signed agreement with all their customers that the totes provided must be washed, rinsed, sanitized before they are returned back to the market to reuse. This policy is laid out in the Container Cleaning and Disinfecting Policy-Attached in this report. Firm also has a Clean Transport of Produce Policy that covers the conditions of their delivery vehicles. - This policy is also attached with this report.

Firm will implement the FSMA produce rules and that includes record keeping procedures that cover: Who supplied which box, and a tracking number for each box recorded by the market and supplied to the buyer.

Discussed licensing fees based on the language described under 28A.08(c)- Having \$250,001 to \$1,000,000 gross sales or service from a mobile unit without a separate food facility for the immediately previous license or fiscal year. This fee starts at \$444.

Contact this Inspector and or Department if any questions/concerns arise.

**Person in Charge**

**Person in Charge Sig.**

**Visit Date**

**Sig Date**

**Inspector**

**Inspector Signature**

**Sig Date**

Time in

**Time Out**

9/9/2016 Sara George

9/9/2016 Lou Cha

9/9/2016 10:00 AM 11:30 AM

anter

*In accordance with the Americans with the Disabilities Act, this information is available in alternative forms of communication upon request by calling 651/201-6000. TTY users can call the Minnesota Relay Service at 711 or 1-800-627-3529. The MDA is an equal opportunity employer and provider.*

AG-03210 05/14/13

# Example Inspection Report: Chisago City Farmers' Market

## GMP Inspection Report

Minnesota Department of Agriculture Food and Feed Safety Division 6512016027 625 Robert ST N Saint Paul, MN 55155-2538

**Establishment: CITY OF CHISAGO CITY Address: 10656 Railroad**

### Street

Observations and Corrective Actions Violations cited in this report must be corrected within the timeframes below

#### Item Number

**City/State: Chisago City, MN**

**Zip: 55013 County: Chisago**

**License/Permit#: License Holder: CHISAGO**

**CITY FARMERS MARKET**

**Inspection Reason: Routine**

**Risk Category: Medium Risk**

**Telephone: 6123817770**

### ***GMP 21 CFR Part 101 - Food Labeling Food Labeling***

101 Labeling In

### ***21 CFR Part 110 - cGMPs General Provisions***

110.10. Personnel In

### ***Buildings and Facilities***

110.20. Plant and grounds In

110.35 Sanitary operations In

110.37 Sanitary facilities and controls In

### ***Equipment***

110.40. Equipment and utensils In

### ***Production and Process Controls***

110.80. Processes and controls In

110.93 Warehousing and distribution In

### ***MN Statutes Chapter 31 - Salvors Regulation of Food Salvage Operations***

MS 31 Food Salvors In

### ***Public Health Security and Bioterrorism Preparedness and Response Act of 2002 Bioterrorism Act***

BT Act Bioterrorism Act Records In

### ***Food Shelf***

Food Shelf In

### ***Imported Food***

Imported Food In

### ***Additional Regulatory Actions***

57. Regulatory Actions Out

#### Violation of Code

#### Additional Notes Priority Level

**Comment Correct By Date Repeat Violation**

57. MS 28A.04 NC Submit a food handler license application with proper fees to the regulatory authority. (A wholesale food handler license application was completed and check number 6709 was collected in the amount of \$57.00. Agriculture receipt number 19221 was issued in this amount.)

6/29/2018

**No. Of Risk Factor/Intervention Violations N/A**

**N/A No. Of GRP Violations**

**Start Date: 6/21/2018 End Date: 6/21/2018 Inspection ID :**

**Page 1 of 2**

**Page 2 of 2**

A Notice of Inspection was issued on 6/21/18 to Cecilia Coulter, Market Coordinator.

The firm is a farmers market aggregation group where producers bring their produce to the market and then it's distributed to restaurants, schools, and nursing homes. A licensing inspection was conducted at this time. This firm will operate seasonally on Friday afternoons from 2:00pm to 6:00pm in the months of May through October.

The firm will temporarily operate at the Chuckie Lundquist Skate Park located at 10940 Stinson Ave, Chisago City. The firms permanent place of operation is Moberg Park at 10656 Railroad Ave, Chisago City; Moberg park is under construction until mid- August.

The firm has the following policies in place: Container cleaning and sanitizing, clean transport of produce, and personal hygiene & illness.

Produce tractability log including: date, farmer name, buyer name, date picked, harvester, and field location was observed.

The firm will plan to use a chlorine based sanitizer. Sanitizer and test strips were observed during this inspection. Discussed using a chlorine concentration of 50-100 ppm and following the manufacturers instructions.

Portable handwashing sink was also observed during this inspection.

**Visit Date Person in Charge Person In Charge Sig. Sig Date Inspector Inspector Signature Sig Date Time In Time Out**

6/21/2018 Cecilia Coulter

*In accordance with the Americans with Disabilities Act, this information is available in alternative forms of communication upon request by calling 651-201-6000. TTY users can call the Minnesota Relay Service at 711 or 1-800-627-3529. The MDA is an equal opportunity employer and provider.*

AG-03210 05/14/13

6/21/2018 Lynnae Howe

6/21/2018 1:45 PM 3:10 PM

## Chapter 2: Legality of Local Food Products

As a licensed business entity, farmers' markets doing aggregation and sales are legally responsible to purchase and re-sell only products that are legal for sale to food businesses.

Aggregation Manager Role:

- Ensure legality of products purchased and sold by the farmers' market
  - Refer to the chart on the next two pages for general guidelines on legality of products.
  - Contact your MDA inspector if you are in doubt about legality of a particular product.

No food produced under the Cottage Foods exemption will be legal for sale to food businesses. Sales of a variety of kinds of local food in addition to fresh, raw fruits, vegetables, cultivated mushrooms, and herbs are allowed for the farmers' market aggregation project.

**Current Good Manufacturing Practices (CGMPs)** are mentioned repeatedly in the table below, because they are required for processing of any food product for sale to farmers' market aggregation enterprises<sup>3,4</sup>. Refer to this document from FDA:

Guidance for Industry: What You Need to Know About the FDA Regulation: Current Good Manufacturing Practice, Hazard Analysis, and Risk-Based Preventive Controls for Human Food; Small Entity Compliance Guide.

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/ucm525201.htm>

**Processed food products may require the farmer or food maker to have a license.** This is noted in the table below. Refer farmers and food makers to the MDA wholesale food processing or manufacturing license: <http://www.mda.state.mn.us/wholesale-food-processormanufacturer>

**All packaged products must be labeled.** Labels must include the name and address of the farmer or food producer, the package contents, ingredients, net weight (or volume in fluid ounces for a liquid), and identification of any allergens.

Refer to FDA's Food Labeling Guide:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/LabelingNutrition/ucm2006828.htm>

And Minnesota Rules 1550:

<https://www.revisor.mn.gov/rules/pdf/1550/2018-01-03%2015:53:17+00:00>

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<sup>3</sup> 21 Code of Federal Regulations 110: Current Good Manufacturing Practice in Manufacturing, Packing, or Holding Human Food. <https://www.gpo.gov/fdsys/granule/CFR-2011-title21-vol2/CFR-2011-title21-vol2-part110/content-detail.html>

<sup>4</sup> 21 Code of Federal Regulations 117: Current Good Manufacturing Practice, Hazard Analysis, and Risk-Based Preventive Controls for Human Food. <https://www.gpo.gov/fdsys/granule/CFR-2016-title21-vol2/CFR-2016-title21-vol2-part117>

Refer to FDA’s Food Labeling Guide:  
<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/LabelingNutrition/ucm2006828.htm>

And Minnesota Rules 1550:  
<https://www.revisor.mn.gov/rules/pdf/1550/2018-01-03%2015:53:17+00:00>

### Legality of Food Products for Purchase by Farmers’ Markets

<b>Product Type</b>	<b>OK for markets to purchase and resell?</b>
Fresh, whole, raw fruit, vegetables, cultivated mushrooms, and herbs	<p>YES, with no license required from the farmer who grew it. Refer farmers to Selling Minnesota Produce:  <a href="http://misadocuments.info/LFAC_local_produce.pdf">http://misadocuments.info/LFAC_local_produce.pdf</a></p> <p>YES, if bought from someone other than the farmer, who has the correct MDA license(s) to buy and re-sell produce.</p>
Cut, sliced, peeled, shredded, or frozen fresh fruits or vegetables	<p>YES, with no license required from the farmer who grew it and processed it with no added ingredients. Processing must follow CGMPs in a sanitary facility that is not a home kitchen. Refer farmers to Selling Minnesota Produce:  <a href="http://misadocuments.info/LFAC_local_produce.pdf">http://misadocuments.info/LFAC_local_produce.pdf</a></p> <p>YES, if bought from someone other than the farmer, who has the correct MDA license(s), CGMPs, and facility to buy, process, and re-sell produce.</p>
Maple Syrup, Raw or Processed Honey	<p>YES, with no license required from the producer if no off-farm ingredients are added and the honey or maple syrup is extracted or processed and bottled following CGMPs in a sanitary facility that is not a home kitchen.</p> <p>YES, if bought from the farmer or someone else with the correct MDA license, CGMPs and facility to purchase and re-sell honey or maple syrup from other farmers.</p> <p><i>Recommended for honey: Include on the label a statement that honey should not be fed to infants under 12 months old.</i></p>
Flavored honey or maple syrup; honey or maple syrup with added ingredients;	<p>YES, with no license required from the farmer if they add no off-farm ingredients and follow CGMPs in a sanitary facility that is not a home kitchen.</p> <p>YES, from the farmer or someone else if they have the correct MDA license, CGMPs, and facility to add purchased ingredients and sell products.</p>

Refer to FDA’s Food Labeling Guide:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Labeling/Nutrition/ucm2006828.htm>

And Minnesota Rules 1550:

<https://www.revisor.mn.gov/rules/pdf/1550/2018-01-03%2015:53:17+00:00>

## Legality of Food Products for Purchase by Farmers’ Markets

Product Type	OK for markets to purchase and resell?
products made with honey	<p>NO if the ingredient additions were done in a home kitchen or under the Cottage Food exemption.</p> <p><i>Recommended for honey: Include on the label a statement that honey should not be fed to infants under 12 months old.</i></p>
<p>Jam, jelly, fruit spreads</p> <p>Canned fruit or fruit sauces that are naturally acidic (pH &lt; 4.6) without the addition of acidifiers like vinegar or lemon juice</p>	<p>YES, with no license required from the farmer if they add no off-farm ingredients and follow CGMPs in a sanitary facility that is not a home kitchen.</p> <p>YES, from the farmer or someone else if they have the correct MDA license, CGMPs, and facility to process fruit, add ingredients, and sell products.</p> <p>NO if products were made in a home kitchen or made under the Cottage Food exemption.</p>
Fruit juice	<p>YES, with no license required from the farmer who grew the fruit if the juice is produced according to CGMPs in a sanitary facility that is not a home kitchen.</p> <p>YES, from someone else with the correct MDA license who follows CGMPs in an approved facility to buy fruit, extract juice, process it and package it for sale.</p> <p><i>Note: Juice production for wholesale sales, whether or not the juice maker is licensed, requires a Juice HACCP<sup>5</sup> plan in addition to other requirements.</i></p> <p>NO if products were made in a home kitchen or made under the Cottage Food exemption.</p>

<sup>5</sup> 21 Code of Federal Regulations 120: Hazard Analysis and Critical Control Point (HACCP) Systems. <https://www.gpo.gov/fdsys/granule/CFR-2012-title21-vol2/CFR-2012-title21-vol2-part120>

Refer to FDA’s Food Labeling Guide:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/LabelingNutrition/ucm2006828.htm>

And Minnesota Rules 1550:

<https://www.revisor.mn.gov/rules/pdf/1550/2018-01-03%2015:53:17+00:00>

### Legality of Food Products for Purchase by Farmers’ Markets

Product Type	OK for markets to purchase and resell?
<p>Canned pickled fruits or vegetables with added acidifiers like vinegar or lemon juice</p> <p>Canned salsa or other fruit and vegetable blends with added acidifiers like vinegar or lemon juice</p> <p>Canned acidified condiments (e.g. some BBQ sauces, prepared horseradish, sriracha) with added acidifiers like vinegar or lemon juice</p>	<p>YES, with no license required from the farmer if they add no off-farm ingredients and follow CGMPs in a sanitary facility that is not a home kitchen.</p> <p>YES, from the farmer or someone else if they have the correct MDA license, CGMPs, and facility to process raw produce, add ingredients, and sell products.</p> <p><i>Note: Acidified food production for sale, whether or not the food producer is licensed, requires Better Process Control School certification of training, approval from a Process Authority, and registration with FDA in addition to other requirements. Refer producers to U of MN Extension: <a href="https://extension.umn.edu/food-safety/food-processors">https://extension.umn.edu/food-safety/food-processors</a>.</i></p> <p>NO if products were made in a home kitchen or made under the Cottage Food exemption.</p>
<p>Canned fermented vegetables or fruits that are naturally acidic due to fermentation ( e.g. kimchi, sauerkraut)</p>	<p>YES, from the farmer with no license if they add no off-farm ingredients and follow CGMPs in a sanitary facility that is not a home kitchen.</p> <p>YES, from the farmer or someone else if they have the correct MDA license, CGMPs, and facility to ferment the raw product and/or add ingredients, and sell products.</p> <p>NO if products were made in a home kitchen or made under the Cottage Food exemption.</p>

Refer to FDA’s Food Labeling Guide:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Labeling/Nutrition/ucm2006828.htm>

And Minnesota Rules 1550:

<https://www.revisor.mn.gov/rules/pdf/1550/2018-01-03%2015:53:17+00:00>

## Legality of Food Products for Purchase by Farmers’ Markets

Product Type	OK for markets to purchase and resell?
Canned low-acid vegetables, fruits, or mixtures	<p>YES, from the farmer with no license if they add no off-farm ingredients and follow Good Manufacturing Practices (GMPs) in a sanitary facility that is not a home kitchen.</p> <p>YES, from the farmer or someone else if they have the correct license, GMPs, and facility to buy, process, add ingredients, and re-sell products.</p> <p><i>Note: Canning low-acid foods for sale, whether the producer is licensed or not, requires Better Process Control School certification of training, approval from a Process Authority, and registration with FDA in addition to other requirements. Refer producers to Better Process Control Schools:</i></p> <p><a href="https://www.gmaonline.org/resources/science-education-foundation/better-process-control-schools/">https://www.gmaonline.org/resources/science-education-foundation/better-process-control-schools/</a>.</p> <p>NO if products were made in a home kitchen. (Low-acid foods cannot be canned under the Cottage Food exemption.)</p>
Breads, other baked goods	<p>YES, from someone with the correct MDA license who follows Good Manufacturing Practices (GMPs) in an approved facility.</p> <p>NO if products were made in a home kitchen or made under the Cottage Food exemption.</p>
Whole grains with no added ingredients	<p>YES, with no license required from the farmer who grew the grain. The grain must be cleaned and packaged according to CGMPs in a sanitary facility that is not a home kitchen.</p> <p>YES, from someone else with correct MDA license(s), who follows Good Manufacturing Practices (GMPs) in an approved facility to purchase, package, label, and re-sell grain from farmers.</p>

Refer to FDA’s Food Labeling Guide:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Labeling/Nutrition/ucm2006828.htm>

And Minnesota Rules 1550:

<https://www.revisor.mn.gov/rules/pdf/1550/2018-01-03%2015:53:17+00:00>

### Legality of Food Products for Purchase by Farmers’ Markets

<b>Product Type</b>	<b>OK for markets to purchase and resell?</b>
Meal or flour made from grains, with no added ingredients	<p>YES, with no license required from the farmer who grew the grain. The grain must be cleaned, milled and packaged according to CGMPs, in a sanitary facility that is not a home kitchen.</p> <p>YES, from someone else with correct license(s), who follows CGMPs in an approved facility to purchase grain from farmers, mill it, package, label, and sell it.</p> <p>NO if the products were made in a home kitchen or made under the Cottage Food exemption.</p>
Dry mixes or blends of grains and other ingredients (e.g. pancake mix, muffin mix, granola)	<p>YES, from someone with correct MDA license(s), who follows CGMPs in an approved facility to blend, package, label, and sell the products.</p> <p>NO if the products were made in a home kitchen or made under the Cottage Food exemption.</p>
Dry beans or peas	<p>YES, with no license required from the farmer who grew the beans. The beans must be cleaned and packaged according to CGMPs, in a sanitary facility that is not a home kitchen.</p> <p>YES, from someone with correct MDA license(s), who follows CGMPs in an approved facility to purchase, package, label, and sell dry beans from farmers.</p>
Dried fruits, vegetables, herbs, or cultivated mushrooms	<p>YES, with no license required from the farmer who grew the produce. The produce must be dried and packaged with no added ingredients, according to CGMPs, in a sanitary facility that is not a home kitchen.</p> <p>YES, from someone else with correct MDA license(s), who follows CGMPs in an approved facility to purchase, package, label, and sell dried produce from farmers.</p> <p>NO if the products were dried in a home kitchen or dried under the Cottage Food exemption.</p>

Refer to FDA’s Food Labeling Guide:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Labeling/Nutrition/ucm2006828.htm>

And Minnesota Rules 1550:

<https://www.revisor.mn.gov/rules/pdf/1550/2018-01-03%2015:53:17+00:00>

### Legality of Food Products for Purchase by Farmers’ Markets

Product Type	OK for markets to purchase and resell?
Dried blends or mixes containing fruits, vegetables, herbs, or cultivated mushrooms; with or without other ingredients (e.g. soup mixes, dried herb blends)	<p>YES, from the farmer with no license required if the farmer grew all the ingredients in the blend. The produce must be dried, blended, and packaged according to CGMPs in a sanitary facility that is not a home kitchen.</p> <p>YES, from the farmer or someone else with the correct MDA license, GMPs, and facility to mix and package dried ingredients with or without added off-farm ingredients.</p> <p>NO if the products were made in a home kitchen or made under the Cottage Food exemption.</p>
Coffee beans, whole or ground	<p>YES, from someone with the correct license, Good Manufacturing Practices (GMPs), and facility to roast, grind, and package coffee beans for sale.</p> <p>NO if the coffee beans are roasted, ground, or packaged in a home kitchen or under the Cottage Food exemption.</p>
Vegetable oils (e.g. sunflower, canola, soybean, camelina)	<p>YES, with no license required from the farmer who grew the oilseed crop and did the oil extraction and bottling according to CGMPs in a sanitary facility that is not a home kitchen.</p> <p>YES, from someone else with the correct license(s), CGMPs, and facility to purchase oilseeds from farmers, extract oil, bottle it, and sell it.</p> <p>NO if the oil is extracted and/or bottled in a home kitchen.</p>
Meat and Poultry	<p>Packages must bear the mark of inspection; either USDA or Minnesota Equal-To.</p> <p>Refer farmers to:</p>

Refer to FDA’s Food Labeling Guide:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Labeling/Nutrition/ucm2006828.htm>

And Minnesota Rules 1550:

<https://www.revisor.mn.gov/rules/pdf/1550/2018-01-03%2015:53:17+00:00>

## Legality of Food Products for Purchase by Farmers’ Markets

Product Type	OK for markets to purchase and resell?
	<p>Selling Minnesota Meat Products <a href="http://misadocuments.info/LFAC_local_meat.pdf">http://misadocuments.info/LFAC_local_meat.pdf</a></p> <p>Selling Minnesota Poultry Products <a href="http://misadocuments.info/LFAC_local_poultry.pdf">http://misadocuments.info/LFAC_local_poultry.pdf</a></p> <p>The market must have a commercial freezer to hold and transport frozen meat. Seek approval from the market’s MDA inspector.</p>
Eggs	<p>Farmers selling eggs from their own flock of fewer than 3,000 hens are exempt from licensing and USDA registration; but should be registered with MDA as a small flock producer.</p> <p>Refer farmers to the registration form: <a href="http://mda.state.mn.us/sites/default/files/2018-05/ag02433eggx_0.pdf">http://mda.state.mn.us/sites/default/files/2018-05/ag02433eggx_0.pdf</a></p> <p>Anyone else selling eggs must be either licensed through the MN Dept of Agriculture, or registered with USDA AMS, or both.</p> <p>Refer to Selling Minnesota Shell Eggs: <a href="http://misadocuments.info/LFAC_local_eggs.pdf">http://misadocuments.info/LFAC_local_eggs.pdf</a></p> <p>Eggs must be properly candled, graded, weighed, and labeled.</p> <p><i>If the market is going to candle/grade eggs from farmers onsite at the market location, then the market would need to be registered with USDA as a grading station in addition to having an MDA food handler license.</i></p> <p><i>The market must have a commercial refrigerator to hold and transport eggs. Eggs must be held and transported at 45°F or less.</i></p>

Refer to FDA’s Food Labeling Guide:

<https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/LabelingNutrition/ucm2006828.htm>

And Minnesota Rules 1550:

<https://www.revisor.mn.gov/rules/pdf/1550/2018-01-03%2015:53:17+00:00>

### Legality of Food Products for Purchase by Farmers’ Markets

Product Type	OK for markets to purchase and resell?
Partially prepared, heat-and-serve foods with NO meat (e.g. bean burritos, veggie spring rolls, cheese or veggie pizza)	<p>YES, with no license required from the farmer if the farmer grows 100% of the ingredients and produces the product according to CGMPs in a sanitary facility that is not a home kitchen.</p> <p>YES, from the farmer or someone else with the correct license, CGMPs, and facility to use multiple ingredient sources to produce the product for wholesale sales.</p> <p>NO if the products are made in a home kitchen (these product types are not allowed under the Cottage Food exemption.)</p> <p><i>The market must have a commercial freezer or refrigerator to hold and transport these foods, and approval from the market’s MDA inspector.</i></p>
Partially prepared, heat-and-serve foods with meat (e.g. beef burritos, pork spring rolls, pepperoni pizza)	<p>YES, from someone with BOTH the correct license to produce the product for wholesale sales AND with continuous (i.e., daily) inspection by either USDA-FSIS or the Minnesota Equal-To meat inspection program.</p> <p><i>The market must have a commercial freezer or refrigerator to hold and transport these foods, and approval from the market’s MDA inspector.</i></p>

## Chapter 3: Market Finances

Farmers’ Markets must be able to sustain their enterprises from year to year.

Costs the market may incur for the aggregation enterprise:

- Manager stipend or salary
- Boxes, bags, and reusable containers
- Handwashing and cleaning supplies
- Online sales platform subscription
- Food Handler license
- Insurance

- Fuel cost or mileage rate for product delivery

If the market does not have a stable source of outside funding for its aggregation enterprise, then the market must have income to cover market costs for running the aggregation enterprise.

### Aggregation manager’s role:

- Understand the costs associated with the aggregation enterprise at your market
- Determine a product sales goal and percentage mark-up needed in order for the aggregation enterprise to be sustained.
- Work with both suppliers and buyers to arrive at pricing that is fair to the farmers and acceptable to the buyers.

### Price Mark-Up

Market aggregation enterprises can gain income by adding a percentage mark-up to the price the farmers charge for their products.

Recommended minimum mark-up: 12% to 14% of farmers’ price<sup>6</sup>.

Example of price mark-up				
Item	Farmer’s price	Market’s mark-up	Price charged to buyers:	Market’s income
Sweet corn, 1 dozen ears	\$4.75	15%	$\$4.75 \times 1.15 = \$5.46$	$\$5.46 - \$4.45 = \$0.71$

### Market Costs, Sales Goals, and Projected Market Income

Example from a Minnesota Farmers’ Market

*First-year:*

Item	Amount	Paid for by:
Manager stipend	\$2,000.00	Grant funds
Cargo trailer	\$4,055.48	Grant funds
Boxes, totes, handwashing, cleaning supplies, scale, theft prevention devices	\$588.51	Grant funds
Local Orbit subscription	\$ 375.00	Grant funds
Wholesale Food Handler license	\$ 57.00	Grant funds

<sup>6</sup> Based on research by Cooperative Development Services. <http://www.cdsus.coop/node/164>

Trailer insurance	\$ 185.21	Grant funds
<b>TOTAL (so far)</b>	<b>\$7,261.20</b>	<b>Total aggregation sales of \$752</b>

*Second year:*

<b>Item</b>	<b>Amount</b>	<b>Paid for by:</b>
Manager stipend	\$1,000.00	Grant funds
Boxes, totes, cleaning supplies	\$ 100.00	Market's 15%
Online platform subscription	\$ 375.00	Grant funds
Wholesale Food Handler license	\$ 57.00	Market's 15%
Trailer insurance	\$ 185.21	Market's 15%
<b>TOTAL</b>	<b>\$2,717.00</b>	
<b>TOTAL paid by aggregation</b>	<b>\$ 342.21</b>	<b>Need aggregation sales of \$2,282</b>

*Third year:*

<b>Item</b>	<b>Amount</b>	<b>Paid for by:</b>
Manager stipend	\$1,000.00	Market's 15%
Boxes, totes, cleaning supplies	\$ 100.00	Market's 15%
Local Orbit subscription	\$ 375.00	Market's 15%
Wholesale Food Handler license	\$ 57.00	Market's 15%
Trailer insurance	\$ 185.21	Market's 15%
<b>TOTAL</b>	<b>\$ 1,717.00</b>	<b>Need aggregation sales of \$11,447</b>

## Pricing of Suppliers' Products

How do you determine fair pricing? Your suppliers will need to do some of their own math to determine their costs of production and what prices will allow them to turn a profit, but it's helpful to have some idea of typical price ranges that buyers may have seen from other suppliers.

Some buyers may be willing to share with you the prices they pay to other suppliers.

There may be some products the market simply cannot sell because buyers require a lower price than suppliers are willing to accept. If that happens, focus on other products for the aggregation sales.

## Pricing References

These references are available on the next three pages:

- Wabasha Farmers' Market price list
- Minneapolis Public Schools Reference Pricing

## FARM TO TABLE PRICE SHEET - WABASHA

Please note, these items are all seasonal and they may not all be available all the time.

Item	\$	Item	\$
Apples	2.00/lb	Kale	3.00/lb
Asparagus	4.00/lb	Kohlrabi	3.00/lb
Basil	14.00/lb	Leeks	3.00/lb
Beets	2.50/lb	Lettuce	1.50/lb
Broccoli	2.00/lb	Mint	12.00/lb
Brussels Sprouts	3.00/lb	Onion (red, white, or yellow)	1.00/lb
Cabbage	0.60/lb	Patty Pan	2.00/lb
Cantaloupe	3.00/lb	Peas	4.50/lb
Carrots	2.00/lb	Pumpkins	3.00/lb
Cauliflower	2.00/lb	Radishes	2.00/lb
Cherry Tomatoes	2.00/pint	Raspberries	2.50/pint
Cilantro	10.00/lb	Red Potatoes	0.75/lb
Cucumbers	1.00/lb	Squash	0.75/lb
Dill	14.00/lb	Strawberries	4.00/quart
Eggs	2.50/doz	Sweet Corn	4.50/doz
Eggplant	2.00/lb	Swiss Chard	3.00/lb
Green Beans	2.50/lb	Tomatoes (red)	1.50/lb
Green Onions	3.00/lb	Tomatoes (heirloom)	2.15/lb
Green Peppers	2.00/lb	Zucchini (baby)	2.00/lb
Jalapeno Peppers	2.50/lb		

## Minneapolis Public Schools Reference Pricing

The following table shows reference pricing for early fall (September or October) 2017 pricing from a variety of local, non-local, organic, sustainable and conventional produce sources. Indicated in **BOLD** are local items.

Item	Quantity	MPS Farm to School 2017 pricing, some seconds, bulk pricing, mix of organic & sustainably grown	Chicago Terminal Market seasonal average (USDA AMS) – Conventional	USDA Chicago Terminal Market seasonal average (USDA AMS) – Organic	Coop Partners Price List, all certified organic (2016)	Organic Valley, #1 Product, certified organic (2016)
Beet	Per pound	<b>\$0.75</b>	\$0.61	\$1.01	<b>\$1.34</b>	\$0.80
Beet, Golden	Per pound	<b>\$0.75</b>	\$0.78	\$1.07	<b>\$1.56</b>	
Broccoli	Per pound	<b>\$1.60</b>	\$1.07		<b>\$1.67</b>	\$1.12
Brussels Sprouts	Per pound	<b>\$2.90</b>	\$2.09		\$4.85	\$3.05
Cabbage, Green	Per pound	<b>\$0.60</b>	\$0.43	\$0.63	<b>\$0.93</b>	\$0.46
Carrot	Per pound	<b>\$0.90</b>	\$0.41	\$0.94	\$0.89	
Carrot, Rainbow	Per pound	<b>\$1.10</b>			\$1.12	
Cauliflower, White	Per pound	<b>\$1.25</b>	\$0.75	\$1.45	\$1.60	
Cauliflower, Multicolored	Per pound		\$1.34			
Sweet Corn	Per bushel	<b>\$21.00</b>	\$11.00			
Cucumber	Per pound	<b>\$0.85</b>	\$0.60		<b>\$1.36</b>	\$0.93
Green Bean	Per pound		\$0.89		<b>\$2.25</b>	
Kale	24ct case	<b>\$23.00</b>	\$14.73	\$27.17	<b>\$30.15</b>	\$21.16
Kohlrabi	Per pound	<b>\$1.25</b>				
Romaine	Per head	<b>\$1.25</b>			\$1.56	
Melon, Cantaloupe	Per pound		0.33	0.47	<b>\$0.85</b>	
Melon, Honeydew	Per pound	<b>\$0.65</b>	\$0.41	\$0.73		
Melon, Watermelon	Per pound	<b>\$0.65</b>	\$0.41	\$0.47	<b>\$0.60</b>	
Parsnip	Per pound	<b>1.25</b>	\$1.14			
Pepper, Jalapeño	Per pound	<b>\$1.75</b>	\$0.70		<b>\$3.53</b>	
Pepper, Green	Per pound		\$0.86	\$1.18		

Item	Quantity	MPS Farm to School 2017 pricing, some seconds, bulk pricing, mix of organic & sustainably grown	Chicago Terminal Market seasonal average (USDA AMS) – Conventional	USDA Chicago Terminal Market seasonal average (USDA AMS) – Organic	Coop Partners Price List, all certified organic (2016)	Organic Valley, #1 Product, certified organic (2016)
Potato, Red	Per pound	<b>\$0.30</b>	<b>\$0.37</b>	\$0.63	<b>\$0.44</b>	\$0.45
Potato, Russet Small	Per pound	<b>\$0.30</b>	\$0.27			\$0.39
Potato, Russet Large	Per pound	<b>\$0.56</b>	\$0.42	\$0.69	<b>\$0.77</b>	
Potato, Sweet or Yam	Per pound	<b>\$1.00</b>	\$0.53	\$1.36	\$1.59	
Potato, Yellow	Per pound	<b>\$0.30</b>	\$0.36		<b>\$0.74</b>	\$0.36
Radish, Red	Per pound	<b>\$0.83</b>	\$0.50			\$1.06 (per bunch)
Radish, Beauty Heart	Per pound	<b>\$1.04</b>				
Radish, Purple Daikon	Per pound	<b>\$0.80</b>				
Rutabaga	Per pound	<b>\$0.90</b>	\$0.50		\$1.73	\$0.93
Snap Peas	Per pound		\$2.90			\$3.30
Squash, Butternut	Per pound	<b>\$0.60</b>	\$0.44	\$0.58	<b>\$0.84</b>	\$0.57
Squash, Delicata	Per pound	<b>\$0.80</b>				\$0.76
Squash, Spaghetti	Per pound	<b>\$0.60</b>	\$0.46		<b>\$0.84</b>	\$0.61
Tomato, Grape	Per 12ct		\$14.62	\$16.72	<b>\$28.10</b>	
Tomato, Vine Ripe	Per pound	<b>\$1.50</b>	\$0.85	\$1.76	\$2.48	

## Chapter 4. Suppliers

The farmers' market aggregation enterprise is a licensed business. Farmers' markets need to protect themselves from liability. Setting requirements for suppliers is one way to reduce the market's risk.

Supplier requirements are up to individual markets. There is no legal requirement for markets to have specific supplier requirements.

Suppliers will have some work to do in order to meet requirements set by the market. Market managers can determine how much assistance to provide to suppliers.

Recommended minimum requirements:

- On-farm food safety plan for produce suppliers
- Annual water testing
- Appropriate licensing for suppliers of other food types
- Product liability insurance

### Aggregation Manager's Role:

- Establish the farmers' market's requirements for suppliers to the aggregation enterprise
- Request copies of documents from suppliers and keep them on file, to record their compliance with the market's requirements.

### On-farm Food Safety Plan

Produce suppliers can take Good Agricultural Practices (GAPs) or Food Safety Modernization Act (FSMA) Produce Safety Rule training to learn about on-farm food safety for produce. Classes are offered periodically in Minnesota. Online resources are also available.

Farmers who have had GAPs or FSMA training, either a class or self-study, can create their own on-farm food safety plan. On the next page is a one-page summary sheet that farmers' markets can collect from each produce supplier to document that the supplier has an on-farm food safety plan.

Resources for farmers:

Growing Safe Food. University of Minnesota Extension.

<https://extension.umn.edu/safety/growing-safe-food>

Produce Safety Program. Minnesota Department of Agriculture.

<https://www.mda.state.mn.us/food-feed/produce-safety-program>

## Summary of On-Farm Food Safety Plan

\*\*Attach a map of your farm. It could be hand-drawn on an 8.5" x 11" piece of paper, or printed from a Google Earth photo. Label buildings, well(s), septic system, fruit & vegetable production areas, and any livestock areas.

**Briefly describe how you address each of 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. Annual well water testing for generic E. coli and nitrites/nitrates.
5. Measures to keep wild and domestic animals out of fields and packing areas.
6. Manure and/or compost management plan
7. Washing & packing area sanitation
8. Regular cleaning/sanitizing for equipment, tools, storage, and transport containers.

## Water Testing for Farmers' Market Aggregation

### What water sources need to be tested?

- Private well water if used for washing of produce and any surfaces that touch produce, including your hands
- Private well water if used for irrigation, pesticide sprays or frost protection
- Surface water if used for irrigation, pesticide sprays or frost protection

Note! Surface water must NOT be used for postharvest uses (e.g. washing produce, cleaning surfaces, hydrocooling)

### What is “surface water?”

- Ponds, lakes, rivers, streams, and ditches
- Cisterns or spring boxes if the water comes in contact with air at some point
- Rain barrels and catchments

Note! In karst topography, shallow groundwater that is in direct contact with the above-ground environment may have the bacterial characteristics of surface water.

### How often should water be tested?

- Test each water source that you use for produce at least once per year.

### What tests should be done on water?

- For post-harvest washing: generic *E. coli* presence or absence.
  - *E. coli* must be absent (zero) for postharvest washing
- For irrigation or spraying: Quantified generic *E. coli*.
  - As a benchmark: your sample should be less than 410 CFU per 100 ml.

### Where can I get a water test?

See U of MN Extension information about water testing labs and protocols:

<https://extension.umn.edu/growing-safe-food/water-testing-labs-fsma>

### What does “total coliform” mean on my water test?

The water test sheet you fill out and the report you get back may mention “total coliform,” because testing for total coliform is a step in the laboratory process of testing for generic *E. coli*. Total coliform is a larger family of soil and gut-dwelling bacteria that includes *E. coli*. A positive number for total coliform

on your water test report does NOT mean you have to stop using that water.

### **I have total coliforms in my water. Now what?**

You should expect to have a total coliform number for surface water, because coliform bacteria are widespread in the environment.

If you have a positive total coliform number for well water, it likely means you have some soil, water, or other material from the surface getting into your well. Properly constructed wells should not be taking in surface material, so this result indicates a potential problem with your well. A well contractor can help you figure out the problem and a solution.

### **I have *E. coli* in my water. Now what?**

A positive *E. coli* test is evidence of fecal contamination in your water.

- Produce safety rules do not allow water with *E. coli* for postharvest produce washing, cleaning of surfaces, hydrocooling, or other postharvest uses.
- Water with low levels of *E. coli* can be used for irrigation or crop spraying with some precautions. Consult the Produce Safety Alliance information on agricultural water:
  - <https://producesafetyalliance.cornell.edu/sites/producesafetyalliance.cornell.edu/files/shared/documents/Tab-6-Ag-Water-1-V1.1.pdf>
  - <https://producesafetyalliance.cornell.edu/sites/producesafetyalliance.cornell.edu/files/shared/documents/Tab-7-Ag-Water-2-V1.1.pdf>

Water with *E. coli* is a concern for drinking water because it indicates you likely have human or animal feces getting into your water supply. Consult a well contractor for advice.

Water for Food Businesses

Suppliers of food other than produce should refer to this guide:

Selling Minnesota: Approved Water Supply for Rural Food Businesses. Minnesota Farmers' Market Association and Minnesota Institute for Sustainable Agriculture.

[http://misadocuments.info/LFAC\\_water\\_supply.pdf](http://misadocuments.info/LFAC_water_supply.pdf)

## Appropriate Licensing for Suppliers

Refer suppliers to the table on page 23: Legality of Food Products for Purchase by Farmers' Markets, for information about which products must be sold under a license.

More detailed information is available in the Selling Minnesota series:

Selling Minnesota Meat Products. Minnesota Farmers' Market Association and Minnesota Institute for Sustainable Agriculture.

[http://misadocuments.info/LFAC\\_local\\_meat.pdf](http://misadocuments.info/LFAC_local_meat.pdf)

Selling Minnesota Poultry Products. Minnesota Farmers' Market Association and Minnesota Institute for Sustainable Agriculture.

[http://misadocuments.info/LFAC\\_local\\_poultry.pdf](http://misadocuments.info/LFAC_local_poultry.pdf)

Selling Minnesota Shell Eggs. Minnesota Farmers' Market Association and Minnesota Institute for Sustainable Agriculture.

[http://misadocuments.info/LFAC\\_local\\_eggs.pdf](http://misadocuments.info/LFAC_local_eggs.pdf)

Selling Minnesota Produce. Minnesota Farmers' Market Association and Minnesota Institute for Sustainable Agriculture.

[http://misadocuments.info/LFAC\\_local\\_produce.pdf](http://misadocuments.info/LFAC_local_produce.pdf)

Refer suppliers who need a license to Food Licensing at the Minnesota Department of Agriculture:

<https://www.mda.state.mn.us/food-feed/food-licenses>

## Product Liability Insurance

Farmers may have product liability insurance already through their farm insurance. Request that they provide a certificate of insurance for the farmers' market.

## Chapter 5. Buyers

Outreach to buyers is a key component of the farmers' market aggregation manager's responsibilities.

There is a sample buyer survey on pages 44 & 45 that you can print and use to assess buyer interest and gather information about their needs.

Buyers may be unfamiliar with local food purchasing and hesitant about it, so be prepared to respond to buyer concerns.

### Typical buyer concerns:

- Legality
- Price
- Product quality
- Product quantity & Timing

### Local Food Legality

Refer to the table beginning on p. 23, Legality of Food Products for Purchase by Farmers' Markets, to ensure you know the correct licensing for each type of product. You can print the table and bring it with you to any in-person buyer meetings.

### Aggregation manager's role:

- Be aware of legality of local food purchasing by food businesses
- Ensure that potential buyers are aware of the legality of purchasing from the market
- Stand ready to refer buyer concerns about legality to the FMAP project team

Fact sheets are available from the Minnesota Department of Agriculture to verify for buyers that purchases of local meat, poultry, eggs, and produce are legal:

Approved Sources of Meat and Poultry for Food Facilities

[http://misadocuments.info/Approved\\_Sources\\_of\\_Meat\\_and\\_Poultry\\_for\\_Food\\_Facilities.pdf](http://misadocuments.info/Approved_Sources_of_Meat_and_Poultry_for_Food_Facilities.pdf)

Sale of Locally Raised Eggs to Food Facilities

[http://misadocuments.info/Sale\\_of\\_Locally\\_Raised\\_Eggs\\_to\\_Food\\_Facilities.pdf](http://misadocuments.info/Sale_of_Locally_Raised_Eggs_to_Food_Facilities.pdf)

Selling or Serving Locally Grown Produce in Food Facilities

[http://misadocuments.info/Selling\\_or\\_Serving\\_Locally\\_Grown\\_Produce\\_in\\_Food\\_Facilities.pdf](http://misadocuments.info/Selling_or_Serving_Locally_Grown_Produce_in_Food_Facilities.pdf)

## Price

Refer to the example pricing information on pages 31-33. Pricing discussions may need to cycle back and forth between buyers and suppliers to arrive at pricing that is acceptable to both.

Aggregation manager's role:

- Become educated about typical price ranges for products available from your market.
- Have conversations with buyers and suppliers about price, and communicate information back to both sides. Educate both sides about realistic expectations around price.
- Remember that local food has value beyond the commodity price. Do not sell your farmers' market short. If there are products your farmers cannot supply at a price the buyers will accept, it's okay to focus the market's aggregation efforts on other products.

## Product Standards

Different buyers may define acceptable quality differently. Seconds may be acceptable in some settings, and can allow for lower pricing.

Like price, the conversation on product standards may need to cycle between buyers and suppliers.

Aggregation manager's role

- Collect information from buyers about their product standards
- Clearly communicate buyer requirements to suppliers
- Ensure that products meeting the correct standards are delivered to buyers

Resources on product standards:

Minneapolis School District Product Specifications Cheat Sheet

<https://drive.google.com/drive/folders/1ZDs3BqSyBz9HUgnDV98G-Ub1a7gMKVHJ>

The Good Acre Wholesale Product Standards

[https://drive.google.com/file/d/1gl6l0uAHeb97Uq9l\\_uy6a05OZp-ewlP4/view](https://drive.google.com/file/d/1gl6l0uAHeb97Uq9l_uy6a05OZp-ewlP4/view)

## Product Quantity & Timing

Farmers' market vendors often cannot be certain at the start of the growing season what their supply will be later on. Buyers may be accustomed to planning menus or inventories weeks or even months in advance. Managing the needs and expectations of both sides may be challenging.

Aggregation manager's role:

- Obtain estimates from suppliers of quantity and timing of availability of products.
- Find out from buyers what their quantity and timing requirements are, and how much flexibility they have in ordering.
- Educate buyers about seasonality of products.
- Educate suppliers about buyer requirements.

## School/Restaurant/Institution Survey

### BASIC INFORMATION

Institution Name: \_\_\_\_\_

Contact Name and Role: \_\_\_\_\_

E-mail address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Street Address: \_\_\_\_\_

Website: \_\_\_\_\_

### ORDERING AND DELIVERY

Who makes purchasing decisions? \_\_\_\_\_

Best Time/Day to contact: \_\_\_\_\_

Preferred Contact Method: \_\_\_\_\_

Preferred Ordering Day(s): \_\_\_\_\_

Preferred Delivery Day(s)/Time: \_\_\_\_\_

Frequency of Food Delivery: \_\_\_\_\_

Do you have any specific packaging Requirements?: \_\_\_\_\_

Are you currently using a Food Service?: \_\_\_\_\_

Is there a contract and if so, when is it up for renewal? \_\_\_\_\_

If you have a primary vendor (i.e. Sysco, Bix, Reinhart) who is it? \_\_\_\_\_

Would you be willing to share your food service pricing with us? YES NO

### ASSISTANCE AND SUPPORT

What are YOUR principal barriers to buying local? \_\_\_\_\_

\_\_\_\_\_

Is your menu seasonal? \_\_\_\_\_ Can it be? \_\_\_\_\_

Are you interested in other local food events such as:

\_\_\_\_\_ Chef gatherings                      \_\_\_\_\_ Farmer and Chef Partnership or "Speed Dating" Meetings  
\_\_\_\_\_ Education and Awareness Community Events    \_\_\_\_\_ Meet with a local dietician?

Would local food marketing be beneficial to your restaurant? \_\_\_\_\_ Do you have any suggestions of what that would look like for you? \_\_\_\_\_

How else could we support your desire to buy local? \_\_\_\_\_

\_\_\_\_\_

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## Chapter 6: Ordering and Invoicing Process

As of 2019 the farmers' market aggregation projects are using the Local Line online platform for ordering and invoicing.

Local Line: <https://site.localline.ca/>

Detailed information about using Local Line:

<https://farmersmarketaggregation.wordpress.com/local-line/>

Markets may need to provide documents to buyers

- W-9 form  
<https://www.irs.gov/pub/irs-pdf/fw9.pdf>
- Insurance certificate from the market's insurance company
- Other documents, such as an agreement to maintain patient privacy if delivering to a healthcare facility.

Aggregation manager's role:

- Introduce the Local Line system to buyers and suppliers
- Monitor and correct problems with Local Line entries
- Provide requested documents to buyers

## Chapter 7: Day-of-Market Activities

Most of the activities in the other chapters in this manual can happen at any time, but day of market operations have a tighter timelines. Equipment – canopies, tables, scale, handwashing station – need to be set up. Products have to be received, recorded, sorted, packaged, and delivered to buyers.

Having a written “Standard Operating Procedure” (SOP) could be valuable. If you have a document that lists all the tasks that need to happen and how to do them, someone else could run the market day operations from time to time, giving you a break!

Aggregation manager's role:

- Create Standard Operating Procedures (SOPs) for day-of-market operations
- Conduct and supervise day-of-market activities

Typical day-of-market activities:

- Set up canopy, table(s), scale, handwashing station
- Clean and sanitize food contact surfaces (table and scale)
  - Remove dirt and debris, wash with soap and water, rinse, then sanitize
- Ensure a Personnel Hygiene & Illness Policy form is on file for each aggregation worker
- Ensure a Clean Transport of Produce Policy form is on file for each delivery driver
- Ensure re-usable containers are clean according to Container Cleaning & Sanitizing Policy
- Products arrive at market
- Suppliers bring produce to aggregation booth
- Record suppliers and products supplied
  - Provide receipt to suppliers
- Handwashing before any produce handling
- Commingle, sort, and pack products into boxes or reusable containers
- Assign lot numbers to containers, and record lot numbers
- Label each container with the market's name and business address, and the lot number assigned to the container.
- Delivery driver(s) load containers into clean transport vehicle and distributes to buyer.
- Clean off tables and scales
- Take down canopy and other equipment
- Store all equipment in designated location
- Double-check recordkeeping; add any notes or corrections
- Deliver payment information to person responsible for paying suppliers

## Chapter 8: Payments to Suppliers

The Local Line system handles ordering and invoicing, but distribution of payments to suppliers will need to be handled outside of Local Line.

The market must have access to a bank account where buyers' payments can be deposited, and from which payments to suppliers can be made.

Aggregation manager's role

- Set guidelines for payment disbursement to suppliers
- Collect W-9 forms from suppliers if needed
- Ensure payment information is provided to the person responsible for issuing payments
- Ensure payments are made to suppliers

Checklist for Developing Payment Guidelines

- How often will payments be made to suppliers? Some options:
  - Whenever a buyer makes a payment to the market
  - Every week
  - Twice per month
  - Once per month
  - Twice per month unless amount owed is more than or less than a threshold amount
  - Once per month unless amount owed is more than or less than a threshold amount

**Example payment schedule:**

Payments will be made mid-month and at the end of the month. If the amount owed to a supplier is less than \$50 at mid-month, that will be held and paid at the end of the month.

- Is there a minimum amount required in order to issue a payment? For instance, if the market owes a farmer less than \$10, will that be held until the amount owed reaches at least \$10?
- Who will issue the payments?
- What is the timeline for getting information to the person responsible for issuing payments?
  - For payments issued on a regular schedule, what is the deadline to provide the payment information?
- Will farmers need to file a W-9 form?

## Conclusion

This is a 50+ page manual, and it's still not really comprehensive. We have provided some guideposts, but each market will still have a lot of work to do to get their funding and equipment in place, recruit buyers and suppliers, and customize forms and procedures to their market.

There is help available!

Visit the Farmers' Market Aggregation website for more resource materials and information:

<https://farmersmarketaggregation.wordpress.com/>

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