

## Foundations for a Successful Farmers Market

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### Introduction

Starting a farmers market is a challenging task with numerous issues to be tackled and activities to sequence. While generating a customer and vendor base is clearly fundamental to the successful establishment of a farmers market, there are also key administrative foundations that should be established if the market is to get off on the right foot and have long-term viability.

This publication addresses the administrative foundations that should be put in place to help promote the successful establishment and continuity of a farmers market. It assumes that the preliminary step of ascertaining the feasibility of the market has been completed.<sup>1</sup> The remainder of this publication addresses six key foundational issues:

1. Forming a governing board.
2. Articulating a mission.
3. Developing goals.
4. Determining bylaws.
5. Establishing market rules.
6. Defining the role of the market manager.

A list of further resources is provided at the conclusion of the publication.

### Key Issues

#### 1. The Governing Board

Markets in some stage of establishment typically have an informal committee that exists to organize the market, often comprised of those enthusiastic people whose idea it was to establish a market in the first place. If such a group exists, its membership should be reviewed, and it should be formalized into a governing board. If no

such committee exists, then one should be created. The board will be key in making policy decisions, as well as guiding the market manager in day-to-day decisions that might arise.

The board should have a combination of “ideas people” and “details people,” and it should have representation from all major groups that will be affected by the market, for example: vendors, consumers, city government, and local businesses. In general, the board should not be dominated by any specific group, although some experts recommend that vendors be given a slight majority because they are directly affected by the policies adopted.

Though broad representation is important, it is more important that people brought onto the board be enthusiastic about and supportive of the market and bring needed skills and resources to it, rather than simply filling vacancies. Thus, if the right representative of a particular group is not available at the outset, it is worthwhile to keep searching for someone who can fill that role. If an extended period of time passes without finding the right person, this can be an indication of deeper issues that might affect the market, such as a lack of support for the market from that stakeholder group.

The development of the board will likely be an ongoing activity during the first months of the farmers market’s startup and will likely evolve hand-in-hand with other activities, including the development of the market’s mission and goals. It is crucial that all members of the board subscribe to the mission of the farmers market because different stakeholders can have different interests in the market. The core philosophy regarding the purpose and potential of the market must be shared by different stakeholder representatives if larger and day-to-day policy issues are to be resolved productively.

<sup>1</sup>If not, Purdue University Extension Service’s publication, *Starting a Farmers Market*, addresses evaluating the feasibility of starting and operating a successful farmers market. Available at: [www.ces.purdue.edu/extmedia/EC/EC-739.pdf](http://www.ces.purdue.edu/extmedia/EC/EC-739.pdf).

## 2. The Mission

As the governing board for the market is established, the next step is to articulate a mission and goals for the market. This step is particularly important as farmers markets can be driven by numerous and potentially conflicting motivations. Deciding on a common agenda during startup can help avoid later confusion and conflicts that could potentially cripple the market.

The mission is key. It defines why the market exists, whom it is intended to benefit, and other fundamental issues. The mission should be inspirational, and the more that people who are involved with the market (vendors, customers, and other stakeholders) identify with and subscribe to the mission, the smoother and more effectively the market can be managed.

Your mission should address the following:

1. What will the market do (activities)?
2. For whom (participants and beneficiaries)?
3. To what end (objectives and benefits)?

In considering these questions, you might start by asking yourself: What benefits can a farmers market offer? If you take time to brainstorm a list, you might come up with answers like “provide fresh, high-quality food,” “support local growers,” “promote downtown revitalization,” and “build community.” These answers include elements of both “what to do” and “to what end.”

Next is the question of what the market will do. What will be the primary activities of the farmers market? “To provide fresh, quality, local food and agricultural products” might be one of the primary objectives of some markets.

Finally, think of who will be involved: Consumers and producers will be central and can be viewed as both the people who make the market happen and those who benefit from it; thus, they are both participants and beneficiaries.

Consider, too, the geographic scope that you hope will encompass the participants and beneficiaries you will target. Will they be coming from your city or county only, or from surrounding counties as well? Will the market be a draw for day-trippers and tourists? Establishing this scope in your mission will help later when you face important strategic and operational decisions.

For example:

- Should vendors from outside the county be invited to sell at the markets?
- Should it be a “producer-only” market?
- Can nonfood products be sold?

These issues can generate controversy, and their resolution will be eased if deliberation can be clearly linked to the core and mutually agreed-upon values that are outlined in the mission statement.

Now you need to sort and prioritize your lists. Ultimately, you should articulate a mission that combines the above-described elements of what to do, for whom, and to what end in a way that is simple, clear, and inspiring. Mission statements should be kept in a visible place to help remind everyone of the overarching goal of the farmers market.

The mission of many farmers markets focuses on the following:

- Benefit local producers by providing a market for their product.
- Benefit consumers by providing a high-quality, unique product.
- Benefit the community by building a “sense of community,” local economic development, preservation of local agriculture, etc.

Several sample mission statements are shown in the following box.

Note that profit doesn’t figure prominently in *any* of the above mission statements! In fact, few farmers markets exist with the primary purpose of generating a profit for the market. This doesn’t mean, however, that the market shouldn’t be guided by key business principles.

In fact, a farmers market startup should include the creation of a business plan. The creation of and adherence to a business plan does not mean that a farmers market must be a for-profit venture; rather, the business plan will force the board to consider cold reality and also to cover all the bases. For example, a business plan identifies financial, labor, and managerial needs, among others, and determines available resources. These same factors need to be addressed to successfully set up a farmers market as much as they need to be addressed for any successful business startup.

Resources for starting a farmers market and business planning are provided at the end of the publication.

## Sample Mission Statements

“The mission of the [ABC] Farmers Market is to promote the exchange of fresh, quality, local food and agricultural products between the agricultural producers of [ABC] County and its residents and visitors for the purpose of supporting local growers, providing a quality product to consumers, and supporting sustainable agriculture and downtown revitalization.”

“The mission of the [ABC] Regional Farmers Market is to bring together local growers and artisans who produce the highest-quality goods for the [ABC] community, and to preserve and promote historic downtown [ABC].”

“The Town of [ABC] Farmers Market serves as a center of activity in downtown [ABC] by providing a variety of high-quality local produce and hand-made goods from [ABC]. Vendors seek to create an enjoyable atmosphere that serves not only the market but also contributes to a prosperous downtown and promotes a sense of community within the town. The farmers market aims to weave commercial, educational, and social activities to make the market a vital civic institution for [ABC].”

## 3. Goals

Goals contribute specifics to what might be a lofty mission statement, thus helping to make it operable. They help the board and the manager to objectively evaluate how the market is performing and plan for the future. Goals are outcomes that will be pursued as part of achieving the overall mission and will help to determine whether or not the market is achieving its mission. Having clear goals that support the market’s mission will help the board and the manager stay sane!

In order for goals to help in the management of a farmers market, they should specify a time frame during which they will be achieved, and it should be possible to objectively determine whether they have been achieved or not during that time frame. Thus, goals should be objective and measurable. Like the mission, goals should be referred to often and revised as needed.

Examples of specific goals are a target number of vendors, sales targets for a season, or a target number of customers to be reached in a week of operations. If goals are not fulfilled within the allotted period of time,

it is important to assess why and to make changes either to the activities or the to goals themselves if it is determined that they were unreasonable or inappropriate.

Once a mission and goals are identified, the next steps are to establish market bylaws and rules.

## 4. Market Bylaws and Market Rules

*Market bylaws* formally define the identity of the market, its administrative structure, and the processes by which changes to this administrative structure will take place. The timing and establishment of bylaws may be affected by the organizational structure that the market takes (LLC, cooperative, etc.). Bylaws will typically specify:

1. The name of the market.
2. Its purpose and objectives.
3. How the governing board and officers will be chosen and their responsibilities.
4. Processes for changing the bylaws, rules, and other formal documents pertaining to the market.
5. Election procedures and amendment process for these items.

An example of market bylaws is provided in appendix A.

*Market rules* guide the day-to-day administration of the market. Too often, committees jump right to the creation of rules when they start a market. Instead, it is essential that market rules be established *after* the other foundational elements of the market – in particular, the mission and goals – are established. Market rules frequently include the following elements:

- I. Product and producer eligibility and requirements
  - A. Target product/vendor mix
  - B. Product and producer eligibility
    1. Geographic origin
    2. Product types (agricultural, foods, crafts, etc.)
    3. Resale of products
    4. Specific products allowed/not allowed and rules pertaining to them (e.g., compliance with inspection, etc.)
    5. Insurance requirements
  - C. Vendor application and selection process
  - D. Required/allowed signage
  - E. Other requirements (donation of surplus, gleaning, etc.)
  - F. Commitment to season and schedule
  - G. Cancellation/notification period

- II. Operations
  - A. Days and times of operation
  - B. Setup, opening and closing times, responsibilities
  - C. Signs, displays, merchandising
  - D. Stall/booth/exhibit space assignments
- III. Fees, insurance, and tax requirements
- IV. Market services and responsibilities
  - A. Services provided by market
    - 1. Booths (numbers and types available)
    - 2. Trash collection
    - 3. Water, electricity
    - 4. Insurance
    - 5. Etc.
  - B. Market manager role, responsibilities, and authority

An example of market rules is provided in appendix B.

## 5. The Market Manager

The market manager serves as the day-to-day administrator of the market and is the key interface between vendors, customers, board members, and others who are affected by or involved with the market. The market manager's responsibilities are broad, and an effective manager will have a variety of strengths relating to his or her organizational and managerial responsibilities.

Responsibilities of the market manager include but are not limited to:

- Interacting with customers, vendors, governing board, town, neighboring businesses, and other stakeholders.
- Collecting fees.
- Coordinating services.
- Acting as the market's primary contact person.
- Overseeing day-to-day market operations.
- Obtaining proper permits and insurance for the market.
- Enforcing rules and regulations.
- Controlling vendor and product mix.
- Recruiting vendors.
- Handling complaints and disputes.
- Working with market's governing board.
- Establishing strong community contacts.

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## Resources for Additional Information

### Starting a Farmers Market

Hofmann, Christa, and Jennifer Dennis. 2007. *Starting a Farmers Market*. Purdue University Extension publication EC-739. Available online at: [www.ces.purdue.edu/extmedia/EC/EC-739.pdf](http://www.ces.purdue.edu/extmedia/EC/EC-739.pdf).

This publication from Purdue University Extension provides a timeline for starting a farmers market, including establishing interest, size, location, market operations, money, rules, and promotion.

Jolly, Desmond, ed. 2005. *Starting a New Farmers Market*. University of California-Davis Farmers Market Management Series. Davis, Calif.: U.C. Small Farm Program publications. Available online at: [www.sfc.ucdavis.edu/farmers\\_market/management1/](http://www.sfc.ucdavis.edu/farmers_market/management1/).

A comprehensive guide to starting a farmers market.

Swisher, M. E., James Sterns, and Jennifer Gove. Revised 2006. *Starting a Farmers' Market*. Florida Cooperative Extension Service publication FCS5257-Eng. Available online at: <http://edis.ifas.ufl.edu/pdf/files/FY/FY63900.pdf>.

This publication from Florida Cooperative Extension lists eight important steps needed to start a farmers market. It also includes useful facts about farmers markets and government programs, legal information, examples of bylaws and rules for a farmers market, and links to websites of farmers markets.

### Business Planning

Nelson, Beth, Caitrin Mullan, Jill O'Neill, and Debra Elias Morse. 2004. Business Planning, Marketing and Management. In *Resources for Beginning Farmers: Building a Sustainable Future*, 13-24. Minnesota Institute for Sustainable Research. St. Paul, Minn.: University of Minnesota. Available online at: [www.misa.umn.edu/vd/bfarmers.html](http://www.misa.umn.edu/vd/bfarmers.html).

## Virginia-Specific Online Resources

**Virginia Cooperative Extension** – Provides access to publications, local Extension offices, educational resources and programs, and news. Information can be obtained about farmers markets in general by using the search tool provided on the website. Available at: [www.ext.vt.edu/](http://www.ext.vt.edu/).

**Virginia Department of Agriculture and Consumer Services (VDACS)** – Provides information on marketing services throughout Virginia. Information is available on any number of products, regulatory agencies, consumer organizations, and state, local, and federal government. Under the marketing services link, information is available about many different publications and events in Virginia. Available at: [www.vdacs.virginia.gov/](http://www.vdacs.virginia.gov/).

**Virginia Farmers Direct Marketing Association** – Encourages and supports direct marketing in Virginia; the home page provides a list of upcoming conferences. By searching the website, users can locate the resource guide or join the association. Available at: <http://vfdma.org/>.

## Other Periodicals and Online Farmers Market Resources

*Direct Marketing Resource Guides: Farmers Markets* – Resources available through the Western Sustainable Agriculture Research & Education website. It provides access to a collection of publications on farmers markets. Print subscriptions available at: <http://wsare.usu.edu/pub/index.cfm?sub=mktresults&PrintID=2>.

*Growing for Market* – Print and online subscriptions available at: [www.growingformarket.com](http://www.growingformarket.com).

**Farmers Market Coalition Resource Library** – Provides a database of information on farmers markets. Available at: [www.farmersmarketcoalition.org/resources/resource-library/?cat\\_id=4](http://www.farmersmarketcoalition.org/resources/resource-library/?cat_id=4).

*Farmers Markets Today* – A bimonthly publication for direct-to-consumer farmers offered in both electronic and print form. Available at: [www.farmersmarkettoday.com](http://www.farmersmarkettoday.com).

**National Sustainable Agriculture Information Service** – Provides resources for market organizers and sellers. It contains publications on organizing a farmers market and federal assistance programs, and links to other resources. Available at <http://attar.ncat.org/attar-pub/.html>.

**USDA Agricultural Marketing Service, Farmers Markets and Local Food Marketing** – This farmers market resource site is a good starting point – whether you are starting a market or have run one for years.

From this website, you can find information about farmers markets, market growth, National Farmers Market Week, government funding, promotion programs, trends, a resource guide, and more. Available at: [www.ams.usda.gov/farmersmarkets](http://www.ams.usda.gov/farmersmarkets).

## Print Resources

Bachmann, Janet. 2008. *Farmers Markets: Marketing and Business Guide*. ATTRA – National Sustainable Agriculture Service publication IP146. Available at: <http://attra.ncat.org/attra-pub/farm-market.html>.

Eckert, Jane, and Diane Kline. 2003. *Fresh Grown Promotions: Easy Ideas to Make Money on Your Farm!* Eckert AgriMarketing. St. Louis, Mo.: F. E. Robbins & Sons Press.

Gibson, Eric. 1994. *Sell What You Sow! The Grower's Guide to Successful Produce Marketing*. Auburn, Calif.: New World Publishing.

Gibson, Eric, Marcie Rosenzweig, and Vance Corum. 2001. *The New Farmers Market*. Auburn, Calif.: New World Publishing.

Hamilton, Neil D. 1999. *The Legal Guide for Direct Farm Marketing*. Des Moines, Iowa: Drake University Agricultural Law Center.

Horowitz, Shel. Revised 2000. *Grassroots Marketing: Getting Noticed in a Noisy World*. White River Junction, Vt.: Chelsea Green.

A resource for any kind of small business – including horticultural businesses – the book has ideas for low-cost or free publicity. Topics include creating an image, writing ad copy and press releases, tricks of the printing trade to save money on brochures and ads, direct mail, selling on the Internet, working with the media, and much more.

Myers, Ginger S. 2005. *Baler Twine and Duct Tape Marketing: A Primer to Increasing Sales for the Budget-Minded Entrepreneur*. Howard County Economic Development Authority. Columbia, Md.: F. E. Robbins & Sons Press.

## **Appendix A: Example of Farmers Market Bylaws**

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### **Bylaws of the XYZ Valley HomeGrown Markets Association**

(As amended April 3, 2007)

#### **Article I. NAME**

The name of this Association shall be the XYZ Valley HomeGrown Markets Association.

#### **Article II. INCORPORATION**

This Association is a Virginia nonprofit organization under the provisions of Chapter 10 of Title 13.1 of the Code of Virginia, as amended.

#### **Article III. PURPOSES**

The purposes for which the Association is organized are to engage in any activity in connection with the marketing or selling of the agricultural products of its members. The Association intends to:

1. Provide an alternate marketing outlet for area produce growers and other agricultural producers to feature their finest produce and other agricultural products and to encourage the freshness of products at all XYZ Valley farmers markets.
2. Increase the availability and freshness of products available to the general community of buyers.
3. Improve market capability for area farmers and agricultural producers to promote their products directly to consumers.
4. Establish, maintain, and enforce basic operating standards (Rules and Regulations) that will inspire public confidence in the “producers-only” concept.
5. Publicize and provide other marketing materials and opportunities for promoting and fostering the continual sale of locally grown produce and agriculturally produced products at the Market.
6. Encourage expansion of marketing opportunities and the introduce new products to the local community.
7. Enhance the community’s image and local agriculture’s image by providing a special opportunity for direct dialogue between area consumers and producers who grow or produce the products they sell.
8. Use any profits, above and beyond what is needed to ensure the ongoing existence of the market, for grants or other types of assistance to nonprofit organizations engaged in the field of agriculture. Such organizations may be working to solve the problems of the family farmer and the rural community.

#### **Article IV. MEMBERSHIP**

1. Admission – Any person, partnership, or corporation may become a member of the Association by meeting the uniform membership requirements stipulated below. To be a member of the XYZ Valley HomeGrown Markets Association, the applicant must:
  - A. Pay annual dues of \$25.00 on or before Jan. 1 of each year.
  - B. Be a producer of agricultural, horticultural, or animal husbandry products and a vendor of these products; or be a vendor who has sold any product at an XYZ Valley market prior to Jan. 1, 2007; or become a sustaining member of the Association by simply paying annual dues.

- C. Submit one or more vendor applications for each market season.
  - D. Agree to comply with these bylaws.
2. Classification – A minimum of 80 percent of vendor members must be producers and vendors (called farm-based members here) of agricultural, horticultural, or animal husbandry products (called farm-based products here) and other products derived from them, while the balance of a maximum of 20 percent of the vendor members (called nonfarm-based members here) may be existing vendors as of Jan. 1, 2007, or other vendors who do not sell farm-based products and who are accepted by the Board of Directors as nonfarm-based members after the aforementioned date.
- Furthermore, any person, partnership, firm, cooperative, or corporation not actively engaged in marketing through the XYZ Valley HomeGrown Markets Association, but wishing to further the aims of the Association, may apply for sustaining membership and shall be entitled to all rights and privileges of active members with the exception of voting and holding office. Sustaining members may be appointed to committees by the President with concurrence of the Board of Directors.
3. Duties of members – Each member shall in good faith comply with these bylaws and any amendments thereto duly adopted, and with Rules and Regulations adopted by the Association, and with terms and conditions of any and all agreements with the Association. The conduct of the member in all matters shall not be detrimental to the rights and interest of the Association.
4. Resignation – Any member may resign, but such resignation shall not relieve resigning member of the obligation to pay any dues, assessments, or other charges accrued and unpaid until that time. The Association shall not be liable to return or refund any dues, assessments, or other charges in the event of resignation.
5. Transfer of membership – Membership in this Association shall not be transferable or assignable.
6. Membership rights – Regular members shall have one vote. Sustaining members shall have no voting privileges. Proxy voting will not be permitted.

## **Article V. MEETINGS**

1. Annual meetings – An annual meeting of all three classes of members shall be held each year at a time and place designated by the Board of Directors for the purpose of presenting the annual report and other matters that may require general membership attendance. Notice of the annual meeting shall be given to every member at least 14 days in advance of such meeting.
2. Special meetings – The Board of Directors may call a special meeting that would require general membership attendance. Notice of any special meeting shall be given to every member at least seven days in advance of such meetings.
3. Board of Directors' meetings – The Board of Directors shall meet from time to time as is necessary. Only board members and chairpersons of adjunct committees need be notified.
4. Place of meeting – The Board of Directors may designate any place within the County of XYZ as the place for an annual, special, or Board of Directors meeting.
5. Quorum – At any annual meeting or special meeting, one-tenth of active and associate members shall constitute a quorum. At any meeting of the Board of Directors, a majority of the Board of Directors in office shall constitute a quorum.
6. Procedures – All meetings of this Association shall be conducted in accordance with Roberts Rules of Order.

## Article VI. BOARD OF DIRECTORS

1. General powers – The business and affairs of the Association shall be managed by its Board of Directors. The Board of Directors may appoint committees and committee chairpersons as they may consider necessary.
2. Number and tenure – The number of directors shall be seven. No fewer than four directors shall be XYZ County farm-based producer members. Directors and officers shall be elected by majority vote of the regular members, beginning with the officers, at each annual meeting.
3. Vacancies – If any vacancy occurs on the Board of Directors, other than from the expiration of a term of office, the Board of Directors may fill the vacancy for the unexpired term at any board meeting.
4. Compensation – The Board of Directors shall serve without compensation.
5. Attendance at board meetings – Directors shall attend all board meetings unless extenuating circumstances occur.
6. Manner of acting – The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.
7. Referendum – Referendum of policy matters upon demand to entire membership. Upon demand of three members of the entire Board of Directors, made immediately and so recorded at the same meeting at which the original motion was passed, any matter of policy that has been approved or passed by the board must be referred to the entire membership for decision at the next regular or special meeting; a special meeting may be called for the purpose. The referendum shall be decided by a majority vote of active and associate members present and comprising a quorum.
8. Standard of care – A director shall perform his duties as a director, including his duties as a member of any committee of the board upon which he may serve, in a manner he reasonably believes to be in the best interest of the Association, and with such care as an ordinary prudent person in a like position should use under similar circumstances. A person who so performs his duties shall not have any liability by reason of being or having been a director of the Association.
9. Removal of directors – Any director may be removed by a majority vote of active and associate members present and comprising a quorum at any legally convened regular or special meeting of the Association.
10. Advisors to the board – The Board of Directors may appoint advisors as necessary. Such advisors shall have no voting rights.
11. Employment of manager – The Board of Directors shall have the power to employ or to authorize employment of a manager and such other employees as may be deemed necessary, and to fix their compensation. The board may designate a participating grower or producer to serve as Market Manager for each market location. The Market Manager will oversee the daily activities at the market and ensure compliance with the market rules. The Market Manager will pay no space fee.

## Article VII. OFFICERS

1. Officers – The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The officers shall serve without compensation.
  - A. *President* – The President shall call for and preside at all meetings of the Association. The President shall also act as official representative of the Association and have general charge of its affairs. Only active farm-based producer members from XYZ County may serve as President.



- B. *Vice President* – The Vice President shall, at the request of the President or in the event of his/her disability or absence, perform any and all duties of the President. Only active members may serve as Vice President.
- C. *Secretary* – The Secretary shall keep the minutes of the meetings, give notice of all meetings prescribed by these bylaws, perform all duties incidental to the office, and help the President perform his/her functions. Active or associate members may serve as Secretary.
- D. *Treasurer* – The Treasurer shall be the principal financial officer of the Association and shall collect, receive, deposit, invest, and disburse the funds of the Association. The Treasurer shall maintain accounting books and a checking account, render a statement of accounts at each board meeting, file any required reports with the Commonwealth of Virginia, perform all duties incidental to the office, and help the President perform his/her functions. Active or associate members may serve as Treasurer.

The offices of Secretary and Treasurer may be held by the same person.

- 2. Election and term of office – The four officers of the Association shall be elected by the general membership at each annual meeting of the Association.
- 3. Vacancies – A vacancy in any office, however occurring, may be filled by the Board of Directors for the remaining portion of the term.
- 4. Removal of officers – The Board of Directors shall have the power at any meeting to remove any officer, and such action shall be conclusive on the officer so removed.

## **Article VIII. COMMITTEES**

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

- 1. Standing committees – The standing committees shall consist of:
  - A. *Promotion and Advertising Committee*
  - B. *Rules and Regulations Committee*
  - C. *Market Development Committee*
  - D. *Finance Committee*
  - E. *Audit Committee*
- 2. Membership – Each committee shall consist of a chairperson who is a member of the Board of Directors. Committee members may consist of active and associate members.
- 3. Meetings – Each committee is responsible for holding meetings at such regular intervals as to assure the proper completion of the committee’s duties.
- 4. Chairperson – The chairperson or his delegate shall give a report at every board meeting regarding the progress, accomplishments, and goals of the respective committee.

## **Article IX. FINANCIAL PROVISION**

1. Depository – The Board of Directors shall have the power to select one or more banks to act as depositories of the funds of the Association and to determine the manner of receiving, deposition, and disbursing the funds of the Association and the form of checks and the person or persons by whom same shall be signed, with the power to change such banks and the person or persons signing such checks and the form thereof at will.
2. Bonds – The Board of Directors may require the manager and other officers, agents, and employees charged by the Association with responsibility for the custody of any of its funds or negotiable instruments to give adequate bonds. Such bonds, unless cash security is given, shall be furnished by a responsible bonding company and approved by the Board of Directors; the cost thereafter shall be paid by the Association.
3. Audits – At the end of each fiscal year, the Audit Committee shall make a careful audit of the books and accounts of the Association and render a report in writing thereon, which report shall be submitted to the members at their annual meeting. The report shall include at least (1) a balance sheet, (2) an operating statement, and (3) a statement showing the amount of capital, if any, furnished by the members during the period under review. Special audits shall be made upon order of the Board of Directors or upon a majority vote of the members at any regular or called meeting. Copies of the fiscal year-end financial statements will be made available upon request and at the annual meeting.

## **Article X. PROVISIONS**

1. Calendar – The fiscal year of the Association shall be April 1-March 31.
2. Amendments – These bylaws may be altered, amended, or repealed by a two-thirds vote of those active and associate members present and comprising a quorum. Notice of the proposed amendments shall have been presented to the members in writing at least 14 days in advance.
3. Definitions – Except as otherwise provided in these bylaws, all terms used in these bylaws shall have the same definition as in the statutes governing Virginia nonprofit corporations.
4. Conflicts – In the event of any irreconcilable conflict between these bylaws and either the Association's Articles of Incorporation or applicable law, the latter shall control.

## **Appendix B. Example of Farmers Market Rules**

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### **ABC County Farmers Market 2007 Rules and Regulations**

#### **Mission**

The ABC County Farmers Market creates the opportunity for people to buy locally grown and produced products.

#### **Goals and Vision**

The ABC County Farmers Market:

- Increases access to fresh, locally produced, nourishing, and safe foods for all people.
- Encourages, supports, and promotes the entrepreneurial efforts of local, independent, and small-scale farmers, local growers, and local artisans, seeking to sell their products/produce directly to consumers.
- Creates an opportunity for people to meet, eat, and share stories, recipes, and knowledge in a place dedicated to the cultivation of local products and talents.
- Strives to create an atmosphere that serves not only the market, but also contributes to a prosperous rural area and promotes a sense of community.

#### **Participation**

Participation is open to growers, harvesters, bakers, makers of prepared food, and artisans (hereafter, “the vendors”) in the following counties: ABC and XYZ. The Market strives to be a producers-only market. Vendors must participate in production of the product they sell.

#### **Location and Times**

Location: Downtown ABC

Selling season: June through October

Day(s) of the week: Saturday

Hours of operation: 8 a.m.-12 p.m.

#### **Management**

The Market Manager shall enforce all the rules and regulations of the market and work with the vendors to assist in their success. The Market Manager or her/his representative will be present at the market during operation. If questions or problems arise on market day, they will be resolved by the Market Manager.

Market-day responsibilities include the following:

1. Overseeing the set-up and breakdown of the market.
2. Recording attendance.
3. Assuring all vendors are in compliance with market regulations.
4. Addressing any disputes or complaints.

The Market Manager shall be aware of all health and sanitation Rules and Regulations affecting open-air farmers markets.

## **Vendor Eligibility**

The ABC County Farmers Market is primarily a producer-only market.

A producer is defined as the person who grows or makes the product and may also include the producer's immediate family, partners, employees, or local cooperatives.

The ABC County Farmers Market gives preference to 100 percent grower/producer goods over resale goods.

Farmers and food producers are given priority over artisans at the market.

## **Vendor Information: Application, Fees, Space Assignment, Sales Time, and Additional Information**

Permanent vendors must annually submit a market application to the Market Manager. Applications may be modified or updated during the season.

Guest vendors must submit a market application the day of their participation to the Market Manager.

Included within the permanent and guest vendor application is a "hold harmless" agreement that the vendor must sign. This agreement means the producer will hold ABC County Farmers Market and its representatives harmless concerning product liability or other factors that relate specifically to the vendor's business practice.

Permanent vendors must commit to the entire market season (June through October) and participate on a regular basis (a minimum of 80 percent of market days). Produce availability may limit market beginning and ending dates. Guest vendors will participate based on the discretion of the Market Manager.

Vendors may be charged fees to cover the operating costs and related expenses to assure the viability and quality of the market.

The Market Manager will make vendor space assignments in a fair and equitable manner based on the needs of the market, seniority, previous attendance, sales volume, and term of commitment.

A vendor space is defined as a designated area not to exceed 10 feet wide.

Vendors may begin to set up at 7 a.m. and are required to be completed by 8 a.m. Vendors are required to stay until the market closes at noon.

Vendors are required to stop selling at 12 p.m. They must leave their spaces clean and remove their displays and trucks by 12:45 p.m.

Vendors shall not sell before the opening hour of the market day.

## **Displays**

Tables, tents, canopies, pop-ups, umbrellas, signs, and display items must be in good condition.

At no time shall the safety or convenience of customers or vendors be compromised by any vendor's display.

Vendors will clearly display prices of all items and post their farm's name and location. Posting of current licenses, certifications, and inspections is highly recommended. At a minimum, vendors should have copies available at their sites.

## **Guidelines for Market Products**

The ABC County Farmers Market strives to be a regional, producer-only market with an emphasis on agricultural products.

It is understood that some ingredients such as spices, sugar, and other minor ingredients used in the preparation of products may not be available for purchase locally. However, the final product must be locally produced in its entirety.

Along with this goal is the aim of the market to meet the expectations of the customers with the appropriate mix of products suitable for the market, which will be determined by the Market Manager or her/his representative.

## **Eligible Products**

All products in the following categories must originate within the following counties: ABC and XYZ.

Complete grower/producer origin – These goods must be personally grown/produced only by the vendor, vendor’s employees, or primary family members.

Limited grower/producer origin – These goods must originate in the counties listed but may be grown/produced by partners on land or facilities not owned by the vendor. This includes crops harvested by the vendor from “you-pick” farms.

## **Product Labeling and Pricing**

All home-prepared consumable products must meet Virginia Department of Agriculture and Consumer Services (VDACS) Rules and Regulations.

Vendors set their own prices and are responsible for accurately representing their products. All scales or weighing devices must have a current and valid certification sticker signed by the Virginia Department of Weights and Measures.

## **Vegetables, Fruits, Nuts, and Herbs**

Produce must be fresh, of the best quality, and locally grown – preferably by organic principles. Overripe vegetables and fruits must be labeled and marked as suitable for sauce or preserves.

## **Baked Goods, Processed Fruits and Vegetables-Jams, Preserves, Fruit Syrups and Purees, Pestos, Flavored Oils, Mustards, Vinegars, Salsas and Relishes, Dehydrated Foods and Seasonings, and Frozen Dairy or Fruit Products**

Products should highlight local produce, seasonal ingredients, and be freshly prepared by the vendor.

## **Products for Consumption at the Market/Product**

### **Samples**

Beverages and other products for consumption at the market – including items offered as samples – must comply with VDACS and/or health department regulations.

### **Honey**

Honey and bee pollen must be from the beekeeper’s own hives but may be processed and bottled off-farm.

## **Meat**

All meat products must be 100 percent from animals raised from weaning by the farmer. Animals may be butchered or processed off-farm. Meat must be certified and/or inspected.

## **Milk/Dairy and Cheese**

Milk must be from the dairy's own herd or creamery. Cheese and other dairy products must be made by the vendor.

## **Eggs**

Eggs must be from the farmer's own fowl. Eggs must be cleaned and labeled according to VDACS instructions. Labels that include the name of the farm and date of collection are recommended.

## **Plants, Fresh-Cut Flowers, and Greens**

The grower must grow potted plants and cut material. Potted plants and cut plant material must not be on the state or federal list of invasive or rare and endangered plants published by the Division of Natural Heritage.

## **Value-Added Products**

Candles, soaps, creams, lotions, massage oils, insect repellents, and scrubs must be made by the vendor from locally grown and produced ingredients.

## **Seasonal and Holiday Products**

Dried flower or herb bouquets, decorative berries, fruit, pods, cones, pumpkins, and wreaths should be produced from materials grown or gathered on the vendor's property.

## **Liability Insurance**

Vendors are required to ensure that their insurance will cover off-site sales.

## **Certificates**

When applicable, attach the appropriate state/USDA inspection certificates.

1. Organic growers must present a Certificate of Organic Production from the USDA National Organic Program.
2. For cheese and other dairy products, meats, and baked goods, the producer must supply documentation of compliance with local VDACS ordinances and inspections.

## **Taxes, Licenses, and Permits**

Vendors must visibly display any licenses, certifications, and permits required by law for all products. **The collection and filing of all related taxes is the responsibility of the individual vendor.**

## **Health, Sanitation, and Safety**

Each vendor must abide by all state and federal regulations that govern the production, harvest, preparation, preservation, labeling, or safety of products offered for sale at the Market. Vendors are liable for their own products.

## **Miscellaneous**

1. Vendors will be responsible for the collection and removal of all refuse generated from sales at their space.
2. The use of tobacco products, alcohol, or illegal substances is not permitted at the Market.
3. Behavior by vendors or customers judged to be disruptive or detrimental to the peaceful operation of the Market will not be allowed.
4. Small children brought to the Market by vendors must be kept under the supervision of a designated adult.
5. Any unsafe or unsanitary conditions should be brought to the immediate attention of the Market Manager.
6. No live animals, fowl, or fish may be sold at the Market.
7. No pets, with the exception of assistance dogs, are allowed at the market.
8. Any accident or injury must be immediately reported to the Market Manager and to 911.
9. Neither ABC County Farmers Market nor its representatives are responsible for damage or loss of any personal belongings.
10. **Anyone who participates in the market – whether vendor, customer, or otherwise – attends at his/her own risk. Vendors will operate at their own risk and assume liability from the customers.**