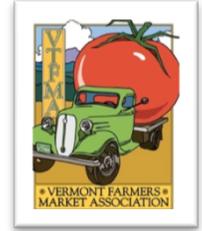


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Vermont Summer Farmers Market Report - 2014

Information compiled by Michael Good

I. Background

The Vermont Farmers Market Association (VTFMA)

The Northeast Organic Farming Association of Vermont (NOFA-VT) is the parent organization for the Vermont Farmers' Market Association (VTFMA). Fifty-six market organizations, representing 58 markets, were members of the VTFMA in 2014.

Farmers Market Survey

With input from the VTFMA board of directors, NOFA-VT sent a survey to the approximately 80 farmers markets organizations in Vermont (VT) (both VTFMA and non-VTFMA members) at the conclusion of the 2014 market season. The survey asked a variety of questions – from sales data and market status to technical assistance needs. Fifty market organizations returned the surveys. The completeness of the survey varied among markets - some were complete while others were largely left blank. A best effort was made in this report to reflect the entirety of the data captured in the complete set of surveys. In areas of reporting where the total number of responses to a question do not equal 50, it can be assumed that data was absent in the submitted reports.

II. Survey Results

Basic Market Information

Years in Existence

The average summer farmers market has been in operation for 18 years, with the age of markets ranging from 1 year of operation to over 40 years of operation.

Organizational Structure

Forty-three markets reported on the structure of their organization (Table 1).

This information highlights the fact that there are many avenues for how farmers markets can organize themselves and guide their market structure. Also worth noting is that this topic is very confusing for Vermont farmers markets, and many markets were unsure of their actual corporation status. NOFA-VT is partnering with the Vermont Law School and Farmers Market Coalition in 2015 through 2018 to develop legal resources for farmers markets, including on governance issues, to make this information more accessible to markets.

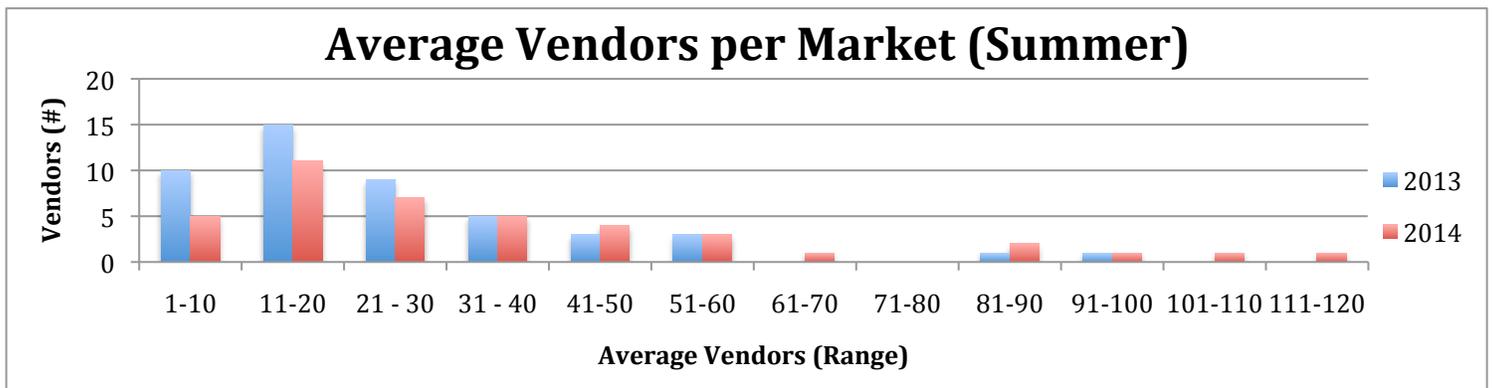
Organizational Structure	Number of Markets
VT State Non-Profit	15
Don't know	8
501(c)3	7
Under fiscal sponsor	6
Other	4
501(c)6	2
LLC	1

Vendors

Vendors Numbers (Summer)

The sizes of farmers markets vary greatly in VT. In the summer of 2014, the number of different vendors that participated in a market throughout the season ranged from 6 to 120, while the average number of vendors ranged from 4 to 94 (Figure 1). The average summer farmers market in VT had 25 vendors per market, compared to 26 in 2013.

Figure 1



Vendor Variety

Most markets are made up of a mixture of vendors who sell agricultural products, processed and ready to eat foods, baked goods, and a variety of crafts. In an effort to be more innovative and appeal to a larger audience of community members, some markets allow services such as massages, clothing mending, knife sharpening, and bike repair. Many markets even provide a space for local and/or charitable organizations to promote themselves and help spread the word to their target audience about the farmers market.

Product Liability Insurance

For the 2014 season, 44% of summer markets required their vendors to carry product liability insurance. Seventeen percent of the 23 summer markets that did not require product liability insurance strongly recommended their vendors to be insured.

Finances

Most markets determined their gross sales using an anonymous reporting form for each vendor. The form has the date and an area to write in a dollar amount for agricultural products, prepared food, and craft sales sold during the market. At the end of the market day or season, these forms were gathered and totaled by the markets to determine total sales data for the season.

Finances (Summer)

In the summer of 2014, 39 of the 50 markets reported gross revenue data of their vendors. The totals reported were divided into three major categories: agricultural sales, prepared food sales, and crafts, with the opportunity to include gross sales data from 'Other' sources, if applicable.

The total reported gross sales amount for these 39 markets was \$7,912,629 with an average of \$192,991 per market. Broken down into categories, agriculture products accounted for \$4,455,782 (56%); prepared foods \$2,318,502 (29%); crafts \$1,002,005 (13%); and other services \$139,782 (2%).

Budgets

Budgets varied significantly between markets, and there was no indication that the size of a budget is correlated with a market's size (i.e. larger markets did not necessarily have the largest budgets).

Vendor Fees (Income)

The primary source of market income came from vendor fees. In 2014, total income from vendors for summer markets ranged from \$3,000 to \$1,720,000. Most markets charge their vendors fees according to the amount of space used, while a few markets charge a commission:

- 85% of summer markets charged a seasonal rate, which ranged from \$25 to \$850 per season. A flat weekly rate charge is available for less-permanent vendors, with fees ranging from \$5 to \$50 per market.
- Seven markets charge a percentage of vendors' daily sales (often on top of a daily vendor fee). These amounts range from 3% to 5% of weekly sales at the market.
- 65% of the reporting markets charge a yearly membership fee, in addition to seasonal rates, ranging from \$10 to \$75.

Manager Compensation (Expense)

The primary source of market expense was manager pay. In 2014, 60% of summer markets reported to pay their market manager, with amounts ranging from \$45 to over \$450 per market. Most managers are paid by the hour or given a fixed stipend, while some are given “perks” by the market (e.g. free vending space). Table 2 indicates the reported weekly pay* of market managers.

Site Rental (Expense)

Sixty percent of the reporting summer markets utilized donated space for the location of their market. Only three markets responded that they owned their market space. Of the markets surveyed, 33% responded that they rent the location where their market takes place. Rent was paid in a few ways:

- Some markets paid a flat rate for the entire season. These prices ranged from \$385 to \$8,000.
- One market responded that they paid a rate for each market, which was priced at \$90 per market.

Other Budget Information

Other expenses paid by markets included bank charges (debit card transaction fees), portable toilets, market coupons (ie. incentives for shoppers to attend their market), education and marketing, EBT replacement machines and monthly costs, office supplies, general liability insurance, website development, special events, taxes, permits and licenses, entertainment, advertising, and production of market t-shirts and bags.

Increasing Limited-Income Food Access

Electronic Benefits Transfer (EBT)/Debit Card and the Harvest Health Coupon Programs

In 2014, 30 of the responding farmers markets accepted EBT cards so that customers could use Supplemental Nutrition Assistance Program (SNAP) benefits (called 3SquaresVT in VT) to purchase eligible food items. When asked whether markets thought introduction of the EBT program drew in a new customer base, 79% responded yes. Some markets commented that the EBT program has expanded reach to low-income people in the surrounding community, while the debit-accepting feature of the machine enables customers with limited cash to still purchase products from the market, especially tourists. Others said that they would like to see a more diverse crowd amongst their EBT customer base, and that they weren’t sure if the EBT program was reaching the community as well as it could. Reported challenges with the EBT program included lack of customer education and the need to train and/or pay vendors to operate the card machines. Sharing information on the alternative currencies accepted at the market, and ensuring that vendors complied with the regulations, was also shared as a challenge.

Additional Comments Managers Shared on Survey

Obstacles to Success

Table 3 is a compilation of the top comments made regarding the primary barriers to a more success.

2014 Successes

Ninety-two percent of markets reported 2014 as a successful year. Markets cited growing interest in local food and the ability to capture new customers as key to increasing sales. Some unsuccessful markets noted a lack of commitment from their vendors and communities. A widespread issue among markets was insufficient access to agricultural vendors. Construction in the area was also mentioned as a factor that negatively impacted sales.

Table 2

Manager Pay per Week*	Number of Markets
Volunteer/Other*	18
\$1-50	5
\$51-100	5
\$101-150	3
\$151-250	5
\$251-350	1
\$351-450	1
\$451+	1
Total	39

* For markets that reported their manager/coordinator pay by the hour, an assumption was made that the manager is paid for 10 hours of work per week; markets that reported a yearly income had their salary divided by the 52 weeks of the year; and markets that reported the income by season had the salary divided by 18 weeks, the average length of a summer market season.

♦Other includes mileage reimbursement (1) and free vendor space (1)

Table 3

Obstacles to Success	# of Responses
Lack of Vendor Commitment/Recruitment	15
Market Location	8
Retaining and Increasing Customer Base	6
Lack of Primary Growers	5
Community Involvement/Support	7
Insufficient Staff Numbers	5
Board/Management	4
Construction	3
Competition Among Products	2