Getting Started Selling at Farmers Markets

Introduction

With more than 10 farmers markets operating around Marin County and countless more scattered around the Bay Area, many producers rely on these markets as a vital sales channel for their fresh produce, meat, dairy and more. By selling directly to consumers, farms and ranches receive full payment for their products without sacrificing a percentage to distributors or retailers. They get to interact with fellow producers, and they also have an opportunity to forge relationships with the people who eat their products. Through these relationships, growers can inform the public about the challenges, joys and full complexity of producing food locally.

For all their appeal, however, farmers markets are not necessarily the best fit for every producer. When considering whether or not to sell at a farmers market, it's important to weigh a number of considerations:

• Time commitment – many producers estimate it takes 3-4 hours on top of the actual market time to pack at the farm, set up a booth, break down afterwards and unpack back at the farm. Additionally, many market managers expect vendors to commit to a full season of sales, so make sure you have sufficient time and product to be there week in and week out. This regularity is especially important as it takes time to build customer awareness and loyalty. Sales may start small but grow with time as people come to expect (and even anticipate) your presence at the market.

• Energy commitment – good customer service is essential, and a pleasant demeanor is as important as the quality of your produce. Are you a "people person" who enjoys interacting with strangers? Many market

Farmers Market Readiness Checklist

- □ Good fit? Is selling at a farmers market the right choice for your farm? Your personality? Consider items mentioned in this fact sheet and consult with your farm partners/employees.
- □ Certified Producer Certificate. Obtain CPC from CDFA and Marin Ag Department.
- Other applicable documents.
 Assemble necessary certificates/documents, e.g.
 Processed Food Registration (CDPH-FDB), California
 state organic registration (CDFA), organic certification
 (third-party), Egg Handler Registration (CDFA),
 Cottage Food Operation Permit (Marin County EHS),
 USDA inspection documents for meat products, Milk
 Handler License (CDFA), etc.
- □ The right market. Choose a market that best fits your farm, your product mix, your schedule and convenience of travel, etc.
- Market approval. Contact manager of chosen market and apply for a space. Obtain commercial liability insurance policy and name market as additional insured, if required.
- Load list.
 Prepare a template that's easy to fill out after each market.
 Scale.
 - Get scale inspected and sealed by Marin County Ag Department.
- □ Labels. Create appropriate labels for egg cartons and produce sold in pre-sealed bags, boxes, etc.
- Booth setup. Assemble items for an attractive, inviting booth (signage, baskets, tables, etc.) including Marin County EHS-compliant equipment for food sampling.

managers recommend that the farmer themself staff the booth regularly as customers place high value on direct contact with growers (or someone intimately familiar with a farm's growing practices).

• **Financial commitment** – canopies, baskets, tables, scales, these are just a few of the items necessary for a farmers market booth. A well-organized, attractive display will greatly increase your sales ...but it all costs money. Each market typically charges a stall fee that ranges from \$25-\$200 based on the square footage you occupy, and they may also require you to carry business liability insurance with coverage that extends to the market itself.

• **Commitment to originality** – The number of farmers markets in the region have multiplied significantly, as have the number of producers taking their goods to market. When admitting new vendors, preference is given to farmers and ranchers who have something unique to sell and many recommend that you spend time surveying <u>existing markets</u> to determine what niche items you might produce to set yourself apart.

If you decide that selling at a farmers market is a good fit for you and your operation, there are a number of county and state rules that regulate both WHAT you can sell and HOW you sell it.

Rules governing WHAT you sell at a farmers market

Certified Producer: Nearly all farmers markets in the Bay Area are "Certified Farmers' Markets" - a title conferred by the state on markets that comply with certain rules to ensure that all products sold are truly grown by the farmers and ranchers selling them. In order to sell your products at a certified farmers market, you must obtain a Certified Producers Certificate (CPC) and display a current, embossed copy prominently at your booth¹. The CPC documents all of the agricultural items you are producing for sale including fresh fruits, nuts, vegetables, shell eggs, honey, flowers, mushrooms, herbs, and nursery stock. You can apply for a CPC online through the CDFA at: www.cdfa.ca.gov/egov/farmersmarket.

The application is followed by an on-site inspection by the county Ag Commissioner's Office (Marin Ag Department) to verify that you are in fact producing the items described in your application. The CPC must be renewed each year and significant changes may trigger a new inspection. Fees for a first-time CPC application and inspection vary, but amending an existing CPC or acquiring a new, embossed copy is usually free.



Second Certificate: In a certified farmers market, it is prohibited to sell products not listed on your CPC as if they were your own, but it is possible for one grower to sell agricultural products for up to 2 additional certified producers under what is known as a "second certificate". To do this, you must:

- List the additional certified producer(s) on your own CPC
- Have the additional certified producer(s) list YOU on their own CPC(s)
- Display embossed copies of the additional certified producer(s) CPC prominently at your booth alongside your own
- NOT offer products from an additional certified producer that exceed your own in volume ("volume" is measured in CCR § 1392.4 (f)(5) by "weight or dollar value of the products at the time and point of sale")
- NOT receive a commission from the additional certified producer(s) on the sale of their products
- Keep records for 3 years of any sales conducted under a second certificate relationship

Non-Certifiable Agricultural Products – Within the certified section of a farmers market, you may also sell some agricultural products which are not listed on the CPC. These must be produced or derived from plants or animals you have raised. These include:

- Processed agricultural products (e.g. jam or jelly) that have been made from the certified agricultural products listed on your CPC $^{\rm 2}$

- Livestock, poultry and rabbit meat from animals you have raised
- Dairy products from milk you have produced
- Pollen, unprocessed beeswax, propolis or royal jelly
- Fish and shellfish produced under controlled conditions in waters or ponds located in California

 $^{^{2}}$ CCR § 1392.2(u)-(y) says that you (the seller) must produce all ingredients in the processed agricultural product with the exception of food coloring, pectin, rennin/rennet or ingredients used as preservatives (including sugar, salt or vinegar), seasonings, and flavorings.



¹ 3 CCR § 1392.4

Because these items are not a part of the CPC application, they are not inspected by the Marin Ag Department, but you should be prepared to display necessary documentation for all non-certifiable agricultural products you intend to sell. This includes:

• Processed Food Registration (PFR) for processed foods like jams, jellies, pickles, etc.³ obtained from California Department of Public Health.

• Cottage Food Operation permit approval from Marin County Department of Environmental Health Services (EHS) for non-potentially hazardous food products including baked goods, jams, jellies, syrups, vinegars, etc.⁴

- CDFA permits for operation of a cheese plant or other creamery
- USDA seals/certificates on all meat and meat products

Additionally, farmers or ranchers selling non-certifiable products like meat, dairy and bee-derived products or value-added goods such as jam must also have available for inspection their approved Noncertifiable Agricultural Producer Registration, issued by the Marin County EHS. For an application, contact EHS at: (415) 473-6269.



Organic products – Anyone selling products represented as "organic" must post a copy of their CDFA organic registration⁵ along with essential documentation of their third-party organic certification, if applicable ⁶

Rules governing HOW you sell at a farmers market:

General set up – Marin's Department of Environmental Health Services inspects farmers markets to verify that all vendors are complying with basic regulations around food safety. These rules include:

- General condition of all foods must be good with no sign of spoilage
- All food must be at least 6" off of the ground
- All cold food (fresh meat products, juice, dairy products) must be kept at or below 41°, frozen foods must be kept below 32°
- Any sampling must comply with EHS guidelines⁹ including use of gloves, sampling utensils, food coverings and sufficient water and soap for both hand and utensil washing

Additionally, producers must have a conspicuous sign or banner that identifies the farm's name, the county where products are grown/raised, and a statement that "We grow what we sell" or "We raise what we sell" or similar phrase that proclaims that all items for sale were produced by the seller on lands under their control in the state of California¹⁰.



³ PFR application and details available from CA Dept of Public Health at: <u>www.cdph.ca.gov/programs/Pages/FDB%20</u> ProcessedFoods.aspx

⁴ CFO permit application details available from Marin County Department of Environmental Health Services at: www.marincounty.org/depts/cd/divisions/environmental-health-services/food-program/cottage-food-operations

- ⁶ Operations that annually gross \$5,000 or less are exempt from third-party organic certification, but they must still complete the CDFA'S organic registration process and comply with all applicable organic production and handling standards
- ⁷ Ag Ombudsman: Vince Trotter, 415-524-7394, marinagombudsman@gmail.com
- ⁸ Marin County Ag Department: 415-473-6700
- ⁹ Find Marin County Department of Environmental Health Services guidelines regarding food handling and sampling here: www.marincounty.org/~/media/files/departments/cd/ehs/food/fact-sheets/guidelinesforsamplingatfarmersmarketevents.pdf and here: www.marincounty.org/~/media/files/departments/cd/ehs/food/fact-sheets/handwashingandutensilwashingrequirements.pdf ¹⁰ California Food & Ag Code, 47004(c)(1)

⁵ CDFA Organic Registration available online at: <u>https://organic.cdfa.ca.gov/OrganicReg/</u>

Documentation – Inspectors from the Marin Ag Department regularly visit farmers markets to ensure that producers have the appropriate documentation on hand. This includes:

- An up-to-date, embossed copy of your CPC with contents matching the items for sale in your booth.
- All documents related to production and sale of Non-Certifiable Agricultural Products (described above)
- Current organic registration and certification (if appropriate)

• If selling plant starts, your <u>CDFA Nursery License</u>. NOTE: producers with less than \$1000 in annual sales of starts can apply to the Marin County Ag Department for a fee exempt license in lieu of the CDFA license.

• Egg Handler Registration¹¹ for anyone selling eggs

At a certified farmers market, all farmers and ranchers must also produce a load list at the end of each market¹², with the producer's name and the name and quantity of all products sold. These sheets should show the variety of fruit or vegetable as written on your CPC and also list any processed foods you have sold that use ingredients listed on your CPC. Load lists are collected by the market manager at the end of each market and are subject to inspection by the Marin Ag Dept.

Producer:

Scale - Any scales used to measure and price products for sale must be inspected and sealed by the Marin Ag Department Office every 2 years. This service is provided free to farms and ranches.

Labels – The FDA and CDFA have very specific rules about labels on egg cartons¹³ and processed foods¹⁴ like jam. Products like bags of oranges, clamshell containers of berries, and bagged lettuce, that are enclosed in a package or bag prior to sale must be labeled with the following information:

• A declaration of identity that is the common or usual name of the commodity.

• A declaration of responsibility that includes the name, address and zip code of the

manufacturer, packer, or distributor. Email addresses do not meet this requirement.

• A declaration of quantity of the commodity in the lower 30% of the principal display panel area. Consumer packages are required to have both SI (metric) and inch-pound units.

Additional Resources:

• Growing for Market Magazine's free publication, "Selling at Farmers Markets": www.growingformarket.com/ downloads/20090706

• Davis Farmers Market Association's online document, "New Farmer's Guide: Cultivating Success at Farmers Markets": www.davisfarmersmarket.org/new-farmers-guide/New%20Farmers%20Guide-v9.pdf

• UC Small Farm Program resource, "Selling at Certified Farmers' Markets": http://sfp.ucdavis.edu/pubs/ SFNews/archives/93012/

• Marin County Department of Agriculture: 1682 Novato Blvd. Suite 150-A, Novato, CA 94947; (415) 473-6700

• Marin County Department of Environmental Health Services: 3501 Civic Center Drive Suite 236, San Rafael, CA 94903; (415) 473-6269

- Marin UC Cooperative Extension/Farm Advisor: 1682 Novato Blvd. Suite 150B, Novato, CA 94947; (415) 473-4204
- Marin County Agricultural Ombudsman: 415-524-7394; marinagombudsman@gmail.com

¹¹ Apply for Egg Handler Registration through the CDFA at: <u>www.cdfa.ca.gov/ahfss/mpes/pdfs/EggHandlersRegistrationApplication.pdf</u> ¹² 3 CCR § 1392.9(b)

¹³ See labeling requirements for egg cartons at: <u>http://ucanr.edu/sites/Grown_in_Marin/files/224159.pdf</u>

¹⁴ See FDA labeling requirements at: <u>www.fda.gov/downloads/Food/GuidanceRegulation/UCM265446.pdf</u>

Prepared by Vince Trotter and David Lewis, December 2016. More information about farmers markets is available at the Grown in Marin website at <u>http://growninmarin.org</u> or by calling the UCCE Farm Advisor's office at (415) 473-4204.

Farmers' Market Load List

Date:

Market: Commodity: Commodity: Weight Sold: Weight Sold:

