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## organizational development: advice from market founders

### ***“Here’s what I want others to know”***

Farmers markets present a planning and organizational paradox. On the one hand, they’re low-cost enterprises, with few barriers to entry relative to their community bang-for-the-buck. On the other hand, they’re fairly challenging to sustain. We spoke with three veteran organizers—who together represent 17 markets and 44 years of market management experience—and learned that even their well-established organizations would still operate in the red if they relied on market income alone. As nonprofit 501 (c) 3 organizations, they utilize grants and donations to bridge the gap and make ends meet. So the trick is not in starting a farmers market; the trick is sustaining it.

We asked these experienced market managers to name some of the unanticipated challenges—both “back in the day,” when they launched their first markets, and now, as they sustain their markets and contemplate starting new ones. Our subject matter specialists were Richard McCarthy, founder and executive director of New Orleans-based marketumbrella.org and the Crescent City Farmers Market, which was launched in 1995; Chris Curtis, founder and director of the Seattle-based Neighborhood Farmers Market Alliance, which started its first market in 1993 and now operates seven markets; and Bernie Prince, co-founder and co-director of the Washington, DC-based FRESHFARM Markets, which opened its first market in 1997 and now operates nine markets in the Chesapeake Bay region.

The three were unanimous regarding several of the challenges: the absolute need for widespread community support—not only to get you started but to carry you through; the importance of doing an “environmental assessment” to identify shoppers, vendors, public advocates, potential funders, likely locations, and other resources in advance of investing a lot of time and energy in your proposed market; and the willingness to invest long hours, many years, and an eclectic skill set—from diplomacy to PR to physical endurance—for little financial reward. This is work people come to because they’re passionate about it—not for the moneymaking potential, but for all of the other benefits farmers markets provide.

### **Community support: the sine qua non**

Bernie Prince, whose organization now runs nine markets, including one at the White House that opened in 2009, says, “You must do your community building first. If you’re not really wanted, you won’t get the help you need and you will likely be wasting your energy. For our first market, we went to the Chamber of Commerce and to everyone in business, as well as to everyone in local government for support. Those conversations determined where our market’s site should be.”

Twelve years later, the changing regulatory environment still creates challenges for FRESHFARM’s Washington, DC, markets. “Basically, City officials have decided to view farmers markets as a way to generate revenue, not as a way to build community, so permits have become very

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expensive: \$52/day plus all of the metered parking spaces, which adds up to \$8500/year payable in advance at the start of the year. So in Washington, we now try to set up in privately owned space where we don't need a permit at all—just the landowner's permission.

“By contrast, the City of Annapolis wants us there so badly that they charge us only \$1/year for our permit and they gave us a grant of \$5,000/year for three years to help us get started. That's what I mean about community support making all the difference.”

Importantly, the process of community building takes time. Prince and her co-founder, Anne Yonkers, spent 18 months organizing before they launched their first market at Dupont Circle. McCarthy and his organization, then known as the ECONomics Institute, also spent a long 18 months identifying supporters, finding farmers, and securing a location before opening the Crescent City Farmers Market—with just six farmers!

Chris Curtis, of the Neighborhood Farmers Market Alliance, invested two years of unpaid work—“the hardest work I'd ever done!”—to launch her first market.

“You might have thought I'd have had a leg up because I was already connected to the businesses in the neighborhood of the proposed market,” Curtis says, “having recently sold a Haagen-Dazs ice cream store. I knew the business owners, the shoppers, the Chamber. But I also went to City Hall, to the Mayor and City Council; I went to schools, churches, food banks. It's almost like you're running for office. The Chamber helped me get a location—a schoolyard—because there wasn't a lot of open space available.

“I also got on the phone to other markets to see if I could borrow their policies and manuals. I worked with extension agents to find direct-market farmers, and mailed a survey to 200 of them. About 90 surveys came back—which is an enormous percentage—and about 40 said they'd consider selling at our proposed market. Then I organized several on-site meetings with the farmers. Once they saw the site and that I was serious, they started to get excited about it and to tell other farmers. But they had to see that I knew what I was doing—with a plan, permits, a marketing

plan, and so on. After two years I had a location, 40 farmers, and the support of the community, and we were able to launch.

Although Curtis now says she “wouldn't advise anyone to do it the way I did—working for two years with no salary,” she recommends going to government agencies for start-up funds: the state, county, city, or USDA. She cautions, however, “They'll want to see a 10-year pro forma, a decent wage paid to staff, and the support of local farmers. So it's work, no getting around it. But getting adequately paid is what helps make it sustainable.”

In fact, the Neighborhood Farmers Market Alliance is approached so frequently with requests to help start new markets, it now has criteria by which Curtis and her board determines a potential new market's prospects.

“Seattle is bursting with markets, so there's no point in creating a new one that is just going to cannibalize an existing one,” Curtis explains. Her criteria attempt to ascertain whether prospective market organizers:

- Have researched the number of consumers likely to shop at the market every week. “We're no longer willing to have large markets subsidize smaller ones.”
- Are willing to accept the Alliance's farmers' market model—which is designed to showcase the farmers and the food, not arts and crafts or other products. “We recommend that 80% of vendors be food producers and, in an urban area like ours, it takes 25-30 vendors to attract enough customers and generate sufficient revenues to make it worthwhile for farmers, shoppers, and organizers.”
- Have identified sufficient vendors willing to participate. “There are enough markets in Seattle now that farmers can pick and choose. They won't participate unless they think you'll be able to attract a sufficient volume of shoppers. (Yes, it's a chicken-and-egg dilemma: you need the farmers to attract the shoppers; and you need the shoppers to attract the farmers.)”

- Can generate sufficient sales to cover overhead. “We advise new, urban, stand-alone markets with start-up funding and a corps of volunteers in place that they need to gross \$30,000/market day. We charge our vendors a flat 6 percent of sales, so that means \$1800 reverts to the organization for putting it all together, promoting, and managing it. That’s not a lot of money for how labor-intensive the effort is.”

### **Finding a like-minded nonprofit to help you get started**

Because farmers markets typically are non profit-making enterprises, and because forming one’s own nonprofit corporation takes time and resources, both McCarthy’s and Prince’s fledgling organizations spent many years under the auspices of other nonprofits before branching out on their own. FARMFRESH started as a program of the American Farmland Trust; while the ECONomics Institute, which later became marketumbrella.org, operated for 10 years as part of Loyola University’s Twomey Center for Peace Through Justice. Operating as a project of another organization gives you an address and phone number, possibly even a website; a board of directors, and enables you to start looking for grants and gathering your other resources. A truly devoted nonprofit might even afford you a temporary salary while you’re getting set up.

### **The importance of persistence, a wide range of skills, and transparency**

Once you’ve identified your community of supporters, it’s critical that you not let them down—a feat that requires superior management skills, diplomacy, and persistence.

“In order to overcome the cynicism of shoppers—and vendors—whose goodwill has been beaten down by Big Box retailers, you’ve got to be there through good times and bad,” McCarthy says. “That means showing up, even if it’s 28-degrees out with freezing rain, or 105-degrees with 100 percent humidity. Even if it’s only you and a single vendor.”

It also means responding to a multiplicity of concerns that might come from vendors, shoppers, neighbors, government officials, Board members, or complete

strangers—and that might represent irreconcilable differences between one and more of these groups. “Managing a market is a constant balancing act, accompanied by a tremendous lack of resources,” McCarthy emphasizes. “You can’t spend your way out of most problems, so you must diplomatically manage a complex web of relationships. You can’t allow lack of resources to be an excuse for failing to follow through on a commitment.

“That’s why absolutely transparent policies and decision-making are a lifesaver. You’ll inevitably make a decision on the fly that someone will challenge. If your policies back you up, you can defend your decision; if they don’t you may have to apologize and make amends. But at least if people see that the process is open and you’re willing to admit your mistakes, you won’t have to deal with resentment and conspiracy theories. Still, it can help in advance to realize that no matter how good your intentions are, you’re bound to offend or disappoint some of your base at least some of the time. It might not feel good to spread it around—and give everyone a reason not to like you—but at least no one can accuse you of playing favorites!

“It’s ironic,” McCarthy continues. “Most people think of markets as feel-good enterprises—and they are. It may be only the market manager who knows how much tension and dissatisfaction lie just below the surface. After all, you’re the market’s landlord, regulator, greeter, customer service rep, and PR ambassador—and you must inhabit all of these roles lightly so that everyone feels that they are contributing participants, not ‘managed’ or manipulated pawns in your game.”

McCarthy notes, “The business model for 21st Century farmers markets is still under discussion. There’s no one template that works in all settings. Even established markets have trouble sustaining themselves, and the staff salaries are low for the stress and skill set required.

“But that’s where marketumbrella.org and other market advocates come in. We help inform policy-makers and the investment community of the value of rebuilding a culture based on food. At the same

time, we try to help market organizers and managers do their jobs more efficiently.”

Chris Curtis thinks that those educational efforts are making headway and that there is now much more financial support available for farmers markets than was true 15 years ago. Nevertheless, farmers market managers need to be smart and not try to grow too fast, or start too many markets that end up cannibalizing each other.

Bernie Prince is proud of the role farmers markets have played in helping to save and revitalize small farms and their farmers. “We’re the resource for farmers linking them to their consumers and helping them to be successful.” In much the same

way business managers help artists earn a living from what they produce, “farmers markets inform farmers regarding what to grow, how to package it, what to charge, and how to add value to it.” Skills at producing a product are not necessarily the skills required for selling it.

“We’re working with 100 farmers this year,” Prince says. “Our goal is to make them the celebrities of food culture in the same way that chefs are. We’re getting there.”

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Is this issue or strategy covered in your current mission (or values)? \_\_\_\_\_

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Does your management structure allow you time to handle this, or is there another organizational partner to help?

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How will you communicate to others about this issue or strategy (marketing)? \_\_\_\_\_

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When and how will you measure the impact of this resolution of this issue or the completion of this strategy?

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