



ILLINOIS FARMERS MARKET ASSOCIATION

## Starting a Farmers Market in Your Community

Farmers markets are a great asset for any community. Across the U.S., USDA reports over 8000 farmers markets. Farmers markets are great community gathering spaces and fun events. But they are so much more. Farmers markets provide access to healthy food and act as business incubators, stimulate local economies, help preserve America's rural livelihood and farmland, and supports good health.

Each farmers market is as unique as the community that hosts it. So, there is no cookie cutter approach to creating a successful farmers market.

### NEED FOR A MARKET

Starting a farmers market is an exciting, but daunting venture. One of the first steps is to assess if there is a need for a market in your area. ILFMA in partnership with MarketMakerTM, has a self-reported data base of farmers markets in Illinois. Go to [www.ilfma.org/find-a-market](http://www.ilfma.org/find-a-market) to see what markets are currently in your area.

Farmers markets should see each other as partners, rather than competitors. It is recommended to not go head to head with successful markets in your area, but rather start a new market on a new day and time to expand the availability of local, fresh product for the community.

If possible, evaluate the interest among a broad spectrum of your community including local growers, consumers, local businesses, health care providers, government agencies and organizations by holding discussions before beginning a farmers market.

You may want to consider;

- Surveying neighbors and vendors
- Visiting other markets in the area/region
- Investigate existing food access options
- Meet with community leaders and/or elected officials
- Invite local chamber of commerce, business association, neighborhood association, or other community to participate in planning the market
- Demographics of community who will likely attend the farmers market

If there is consensus that a farmers market should be developed, the next steps should include determining the market structure and governance, followed by the articulation of the mission and goals for the market.

### BUDGET & FUNDING

During the process, how the market will be funded and supported financially must also be addressed.

### STRUCTURE & FUNCTION

Farmers markets need to be a legal entity or operate in partnership with a legal entity, such as a municipality, not for profit, or a community partner. This allows the farmers market to secure liability insurance, diffuse risk, share decision making, and enter into agreements necessary for market operations.

# LEGAL ENTITY OPTIONS

**Sole Proprietor** is one who owns an unincorporated business without partners. Choosing a sole proprietorship may be the easiest and fastest choice for a farmers market, but it does not protect personal assets from business liabilities.

**Partnerships** is an association of two or more people who are designated co-owners of a business for profit. Each partner in the business has the authority to enter binding obligations, and all partners are personally liable for the debts and obligations of the partnership.

- Other designations of partnerships are **limited partnership (LP), limited liability partnership (LLP), and limited liability limited partnership (LLLLP)**. The Uniform Partnership Act (1997) governs the formation of partnerships in Illinois.
- A limited **liability company (LLC)** is a popular choice for farmers market owners seeking a business entity that protects their personal assets from business liabilities.

**For-Profit Corporations** consists of a board of directors and shareholders. Shareholders purchase stock in the corporation and elect the board of directors. The Business Corporation Act of 1983 governs the formation and operation of corporations in Illinois. The corporation is a separate legal entity from its owners (shareholders), who are therefore not personally liable for the corporation's liabilities and debts. Incorporation is time-consuming and expensive due to the paperwork and filings required.

**Non-Profit Organizations** have no owner and that the nonprofit's resources must be used for the benefit of a broader public interest, not for the purpose of benefiting the founders. Profits generated by the organization must be used to further the nonprofit's mission.

**Cooperatives** is a business, which is jointly owned or managed by those who use its facilities or services.

**Umbrella Organizations** farmers markets can be part of a larger nonprofit or other parent organization, often referred to as an "umbrella organization". Umbrella organizations are not a separate business structure category.

## MISSION STATEMENT & GOALS

Regardless of the structure, it is important for all markets to have clearly defined goals. Markets are created for many reasons.

These may include;

- Provide access to healthy food for all community members
- Fill the food access gap for food insecure communities
- Provide a community gathering space
- Provide opportunity for farmers to sell directly to the customer
- Bring local dollars and foot traffic into a community
- Provide a low cost entry for new or small businesses to test selling products and business viability
- Provide direct access to producers, shortening the supply chain for food access

It is important to agree on the purpose of the market and to set up the market accordingly and how the market will meet the needs of the local community. One of the first activities in organizing your market is to develop a vision statement, a broad statement defining the place of the market in the community. Followed by the development of the mission statement, list concrete specific statements of the major goals of the market organization in seeking to realize the vision. Clarifying and synthesizing the group's purpose and beliefs in a written statement makes it easier to present the concept to growers, the community, and others.

# LOCATION

## What type of location will meet your farmers markets needs?

- Park or community gathering space
- Plaza
- Public streets
- Private property
- Partner parking lot
- Protected space

## What amenities does your farmers market need?

- Electricity
- Public Wi-Fi or cell service
- Adequate size
- Restrooms
- ADA Accessible space
- Accessible by public transportation
- Close to customer base

# RULES & REGULATIONS

The development of rules and regulations for a farmers market help to specify the rights and responsibilities of all involved. By creating this document, each vendor is aware of what is expected of them, what the standards of conduct are for the market, what products can be sold, etc. Rules and regulations are key to seamless market operation. Rules may eliminate questions and potential conflict and may address;

- Types of products sold
- Definition of local
- Types of food and non-food products sold
- Application process
- Operating hours
- Types of health department certifications and registrations required
- Liability insurance requirements
- Emergency plans
- Arrival and take down times
- Attendance requirements
- Community group participation
- Nutrition assistance program participation
- Vendor fees
- Vendor placement
- Management structure

# MARKET THE MARKET

Marketing is a key component of starting and managing a farmers market. Social media platforms are especially effective tools for finding and informing customers, vendors, and community members.

# BECOME AN ILFMA MEMBER

There is a lot to consider when starting a farmers market. ILFMA has offers a comprehensive manual for starting and operating farmers markets. The manual is available to members of ILFMA. For more resources and information on membership, go to [www.ilfma.org](http://www.ilfma.org).

**At the Illinois Farmers Market Association we support local food and food systems by giving Illinois farmers markets and producers access to resources, training, and connections in order to grow healthier and economically vibrant communities. Learn more at [www.ilfma.org](http://www.ilfma.org)**

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