



April 10, 2006

To the Agassiz Farmers' Market Steering Committee
and the Community of the District of Kent

RE: Farmers' Market Business Plan

Attached is an initial business plan for the establishment of a new Farmers' Market in Agassiz.

This document is the result of several one-on-one interviews with community stakeholders, two well-attended and very positive workshops and research on Farmers' Markets around North America.

The business plan, as with any other, is designed to be a living document. It is a tool to guide a facilitation process, but during that process and as the Market advances over the next number of years, it should be revisited and updated regularly as a measure of progress but also to reflect changing realities around the Market.

Readers will note many unanswered questions. For example the plan talks about location of the Market in terms of requirements and suggested venues. It also points out that a process needs to be undertaken to establish a location. This and several other questions will be answered as the community moves toward establishment of the Market.

It has been a pleasure to work with the Kent Agricultural Advisory Committee through this process of discovery. And we also wish to acknowledge the eager and helpful input of several local government, media, businesses, agricultural producers, artists and crafters and community members.

We hope to continue working with you all toward this and other exciting projects in Kent.

Sincerely,

Marion Robinson
Fraser Basin Council
Manager, Fraser Valley Region

Bruce Fatkin
Fraser Basin Council
Project Coordinator



Fraser Basin Council



KENT AGRICULTURAL ADVISORY COMMITTEE

AGASSIZ FARMERS' MARKET BUSINESS PLAN

As strengthening agriculture is synonymous with strengthening communities in the Dist of Kent, the Fraser Basin Council has been working on developing sustainable business clusters. Along with the 2004 Kent Small Lot Agriculture Land Use Survey, the new Agassiz Producer's Group and supporting the Circle Farm Tour, The Farmer's Market question has been circulating now for some time. In response, FBC has undertaken the first steps to build capacity in Kent to move towards these new economies.

Methods used follow Asset Based Community Development Principles where efforts are participatory, appreciative and capacity building.

Description of Business

The Agassiz Farmers' Market (the Market) is a community driven organization that will operate as a registered non-profit society with a Board of Directors. The Market will provide space for local agricultural producers, small-scale food processors and artisans/crafters to display, promote and sell their products and services.

The Market has grown out the desire of a group of local citizens, including several agricultural producers, to have such a venue again in Agassiz. It will build on the popularity of previous Farmers' Markets in Agassiz.

Management

A Board of Directors, beginning with a Community Steering Committee, will run the Market. The Committee will simultaneously hire a manager and take the necessary steps to gain registered non-profit status from the Province of BC. The Steering Committee will become the founding directors of the Board of the Market and will set and oversee duties of the manager until a new Board is elected from the community within 15 months of the date of registration of the Society.

Attendees to two workshops in Agassiz (November 30, 2005 and January 13, 2006) have identified the Committee. They have been approached and agreed to form the Steering Committee. The members are Laurens Van Vliet, Herman Grau, and Rokie Bernstein (Mrs.). The Committee will enlist one or two additional members.

Western Economic Diversification Canada, BC Association of Farmers' Markets and the Investment Agriculture Foundation Small Lot Agriculture Fund administered by the Fraser Valley Farm Direct Marketing Association will be approached for start-up financing.

Products and Services

A primary role of the Market is to provide space for vendors to display and sell their products. At the direction of the Board, these vendors will likely include local primary agricultural producers, local value-added processors (that may be the primary producers or others in the community who access the main ingredients for their products locally), local artisans and crafters and local food vendors.

The Board may elect to provide some services to vendors, including rental of Market owned pop-up tents. The Market may also provide opportunity for local business to advertise and promote their products and services.

The Market will at its discretion, provide a venue for local entertainers to perform either free, for hire, or for donations and might allow space for other non-profit and community organizations to promote their activities.

The Market will provide a platform for training and building capacity in local growers, processors and others on topics such as sales, display and advertising and customer service.

Pricing strategy

The Market Board and the manager will set prices for the initial season. In part this will be driven by a budget forecast for the operating season, but also will likely be designed to be comparable to other Fraser Valley markets of similar size. This likely means an annual membership of approximately \$25.00 per vendor and booth space rentals of between \$15.00 and \$25.00 per Market day with discounts for frequency.

Market Location

One of the first activities undertaken by the Board and manager will be to identify a suitable and accessible location for the Market. A study of other Markets across North America indicates that it is important for a site be available to the Market on a long-term basis.

In large part, the District of Kent and the Fraser Valley Regional District will have to be active partners in this process as it is entirely possible that the Market will operate on District owned land, although one private landowner is open to discussion around hosting the Market on his property. Some utilities servicing

may be required and whether private or public land, the Market likely will need financial and/or logistical assistance to put some of this in place.

Beyond access to appropriate space for vendor stalls, the Market site should have the following attributes:

- Parking,
- Electricity,
- Water,
- Good drainage
- Washroom facilities,
- Accessibility [easy access and on or near Traffic routes),
- Good size for expansion
- Visibility,
- Ability to erect signage,
- Attractive/welcoming,
- Shade,
- Seating.

Several specific locations were suggested and discussed at the two workshops and in interviews conducted by Bruce Fatkin prior to the workshops. The possible locations include:

- Parking lot behind District offices,
- Downtown street or Pioneer Park – work with business association,
- Canadian Hazelnuts,
- Empty lot beside feed store
- Industrial area with buildings east end of Pioneer Ave.
- Beside Kent Builders Supply
- Tim Horton's site
- Livestock Pavilion
- Gravel lot across from Bakery

Customer Base

There are basically two distinct customer bases for the Market, local residents and tourists. Within the tourist sector, there are some sub-sets that have been identified. The sub-sets include people visiting Harrison on day-trips, visitors staying at the Harrison Resort or other hotel accommodation, people staying in the campsites and RV parks and what has been described as accidental tourists who may discover the Market on their way through town. Weekend day-trip visitors and campers likely represent the most accessible sub-sets for an Agassiz Market.

The 5,000 to 7,000 area residents will form a repeat customer base for the Market if their needs are met properly and consistently. Research shows that Farmers' Markets attract people with an elevated respect for the environment, in search of wholesome, safe food and other products grown and produced locally and are mainly Baby Boomers and older. There is some question as to the size of this group and its ability to produce enough customers to support the Market.

The tourists represent a good second source of customers for the Market, although attracting them will take different marketing strategies and may require some adjustment to market-day or some provision for storing purchases until

they are ready to leave the area. This is especially true for sub-sets other than day-visitors. The tourists may be required to sustain the Market customer traffic at a level that will continually attract vendors.

Proximity to Harrison Hot Springs may be a benefit to this market.

Market Season

The normal operating season for the Market will be set to match the products and vendors interested in participating. A quick survey of prospective vendors will tell the Market manager what the opening and closing dates should be. Also following the lead of other Fraser Valley Markets will help set the season.

The Agassiz Market will adopt a strategy used by the Abbotsford Farm and Country Market for its inaugural season. That Board elected to wait until mid-July for their first opening so that a significant number of vendors would be available with a good selection, particularly of farm products. Thus the Abbotsford Market was able to open with a sizeable array of products and it made an excellent first impression.

All that said, most other Fraser Valley markets operate a season that begins in mid to late May and ends in early October.

Products Available

A range of products is available from local producers. The list includes:

- Currants & tree fruits
- Berries
- Hazelnuts
- Cut flowers
- Fresh Vegetables
- Mushrooms
- Herbs
- Peppers
- Wasabi
- Coho Salmon
- Corn
- Bean Sprouts
- Alfalfa Sprouts
- Organic Veggies
- Edible flowers
- Salad Mixes
- Trees and Shrubs
- Perennials and ground covers
- Beef and fowl
- Eggs
- Garlic
- Honey
- Jams
- Cheeses
- Coffee
- Hazelnut value added products
- Bakery
- Goat milk & cheese
- Fudge and Candy
- Pickles and other preserves



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Also available is a wide range of work by local artists and crafters.

Competition

As with other businesses, competition for the Market will take many forms. Primarily however, the Market will have to work toward altering customers' weekly buying habits. This will be accomplished primarily by providing the best possible quality products on a consistent basis and by ensuring maximum selection of items throughout the season.

Competitive Advantage

As with other Farmers' Markets, the Agassiz Market's main competitive advantages will be the array of fresh local product and the opportunity for customers to interact directly with the growers, producers, crafters and artisans.

Marketing and Promotion

Marketing strategy- local citizens

Because money for marketing will likely be extremely limited, it will be necessary to use a combination of media coverage, community networking and signage to promote the Market.

With the entry of a second newspaper in town, local coverage of news and events has increased dramatically. The Market can take advantage of this by providing well crafted press releases and asking for coverage of events such as hiring of a manager, opening day, etc.

The manager will be tasked with promoting the Market to every community organization, service club and public meeting possible.

Marketing will also include a poster or flyer campaign if the Market can have the printed materials designed and produced either as a donation or sponsored.

Marketing strategy – tourists

The tourists, especially those that are visiting Harrison Hot Springs as day visitors or those using the campsites and RV parks, are slightly more difficult to contact. That is, will take more labour and creativity. Unlike local citizens this group turns over frequently.

Events like the arts festival and the sand castle competitions (especially the planned new May to September event) offer an opportunity. A Market information table and/or samples from Market vendors might be a strategy for utilizing these events. The Market Board will consider simply circulating through the area with information handouts on Market day.

The Market will explore an arrangement with the campsites and RV parks to promote Market days on the previous evenings, for example Friday

night for a Saturday market. This promotion may include distribution of samples from Market vendors along with flyers.

Marketing strategy - signage

The strategic placement of signs on highways and major feeder roads is a key strategy for promoting the Market. This will be a strategy for marketing to both local citizens and tourists. If signs cannot be arranged through donations or sponsorship, sufficient budget will be set aside.

Market Assessment – Customer Surveys

From the beginning, it is necessary to consistently measure the impact of the Market on customers and to survey customers for their reaction to the Market. Information can be gathered in a manner that gives the Market and its vendors vital information about the make-up of the customer base, customers' visitation and spending habits, what motivates them to attend the Market, what additional products, services and amenities they want and a host of other useful information. In part this can be accomplished through a program called Rapid Market Assessment.

The University of Northern BC is initiating rapid Market Assessment through the BC Association of Farmers' Markets. This program will provide a template for individual markets to use in conducting customer, vendor and neighborhood surveys. It also offers the chance for participating markets to have some of the information used to prepare reports on market performance and economic impact on the community. The program will eventually also prepare a report on the total economic impact of Farmers' Markets in the BC economy. The Agassiz Market will take part in this survey and contribute to the provincial statistics.

Economic and Social Benefits

The Market will create one manager position, full-time at least for the spring and summer. This may revert to part time in the off-season, depending on available funds and Market fiscal performance.

However the main benefit will be to local agricultural growers, processors, artists and crafters who will use the Market to increase their incomes. There will also be a benefit to local businesses that will supply products and services to the Market and its vendors and who experience increased traffic as a result of proximity of the Market.

On average, a customer spends approximately \$20.00 per market visit.

While the effect is yet to be quantified for Agassiz, studies in other parts of North America indicate a definite ripple effect from Farmers' Markets. In short each dollar spent at a Farmers' Market turns over in the community up to eight (8) times and the process of getting the vendor's products to market and the money that the vendor will subsequently spend on other products and services actually multiplies the effect of that consumer dollar by a factor of 1.5 to 2.

The Market will be a venue for vendors to build their capacity for sales, customer service, product development and marketing.

On the social side, the Market will provide a point of gathering for members of the community. It will help to further develop interpersonal relationships and foster new community partnerships.

The process of planning and initiating a new Farmers' Market for the area will forge new business and social partnerships in the community.

Environmental

While no major environmental impact is expected as a result of the Market, the Board and manager will ensure that at the end of market days, the site is left in as good or better condition than found. Pre-planning will ensure that any structures built, improvements to existing structures and alterations to the site are carried out in an environmentally sound manner.

By their nature, Farmers' Markets encourage local production in environmentally sustainable systems. Market patrons tend to prefer Certified organic and pesticide free products from growers and producers employing demonstrated best farm management practices.

Community and Other Resources

There are several types of resources available to the Market. Of primary initial importance are the identification of a location for the Market and raising of seed capital to hire a manager and handle start-up costs.

The District of Kent and the Fraser Valley Regional District must be key partners in identifying a site for the Market. The Board will immediately begin forming strategic alliances with Mayor and Council and with staff at the District of Kent and at the Fraser Valley Regional District.

Agencies with experience in facilitating and assisting Boards of Directors and with fundraising could be extremely helpful with Market planning, start-up and early stage operation. It is well within the mandate of the Fraser Basin Council to

assist in this process. The Council's roles could include a range of activities from mentorship to the Market Board, through assisting with fundraising and up to and including assuming the management contract, certainly for the first year or until the Board felt it could be self-sufficient.

The Kent Agricultural Advisory Committee (KAAC) has been involved in the lead-up to this point. KAAC partnered with Fraser Basin Council on a Small Lot Agricultural Land Use Survey in 2004 and has continued that partnership through market development projects for local small lot agricultural producers as well as the workshops and other activities focused on a new Farmers' Market for the area. KAAC can continue as an information conduit between the Market Board and District Council and the Fraser Valley Regional District. KAAC can also provide links with the local agricultural community and information about other community resources as needs arise.

Financial

Every business start up has costs attached. Farmer's Markets are no exception. There are a number of possible cash-flow scenarios for the Agassiz Farmers' Market. Attached are two cash flow forecasts considered to be at either end of the anticipated fiscal performance scale. For both, a mid-July opening and October 7th closing is assumed. This means 13 market days at 1 market day per week.

In the **minimum-charge** cash flow forecast, the income assumption is based on an annual membership fee of \$15.00 per vendor, vendor stall rental of \$15.00 per market day, a total of 32 vendors becoming members throughout the season and each market day in July, August and September attracting 20 vendors with only 15 attending for the last market day on October 7th.

In the **maximum-charge** cash flow forecast, the income assumption is based on an annual membership of \$25.00 per vendor, vendor stall rental of \$20.00 per market day, a total of 32 vendors becoming members throughout the season and each market in July, August and September attracting 20 vendors with only 15 attending the last market day on October 7th.

Both forecasts assume a mid-July start for the 2006 Market season.

Next Steps:

The next steps are the first steps for the Steering Committee. These should include sharing this business plan with current and prospective community stakeholders for comment and input.

At the same time, the Committee will engage the Fraser Basin Council or other similar Community Economic Development agency to assist with coordination of:

- attracting seed funding,
- development of a job description, identifying and hiring a manager,
- negotiating a Market site with services,
- enlisting additional Committee members, and
- registering the Market as a non-profit society
- building Committee (Market Board) capacity to operate through subsequent years.