Carrboro Farmers’ Market

Carrboro Farmers’ Market
Business Plan

Carrboro, North Carolina

2012
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Executive Summary
The Carrboro Farmers’ Market (CFM, or Market) vision is a community of: thriving, innovative local producers; informed, healthy community members; and secure, protected farmland. The CFM is committed to working toward its mission of creating and sustaining a vibrant and innovative market that supports local farmers and artisans, while extending the benefits of local food to the greater community.

Key to achieving this mission are increasing vendor sales and increasing the Market’s capacity to conduct community outreach. However, the Market has reached physical capacity and is not accepting new vendors. As a result, no new farmers’ can grow their businesses by selling at the CFM, nor can the Market generate more revenue through vendor fees. This situation, combined with the fact that the CFM cannot access certain funding sources because it is not a 501(c)3 organization, means that the Market has maximized all current revenue sources and does not have financial resources to grow. In order to address this challenge, the CFM has identified five priority areas on which to focus over the next five years. All of these priorities aim to increase revenue and other resources to improve support for CFM vendors and community outreach efforts:

1) Diversify revenue streams to include sources that do not depend on the number of vendors or on the Market’s lack of 501(c)3 status.
2) Improve on-site infrastructure to encourage vendor and shopper attendance, which will increase sales.
3) Provide more educational opportunities for CFM customers and the community to increase purchasing, preparation, and consumption of local foods.
4) Increase community outreach and strengthen food assistance programs to generate more revenue from federal nutrition programs and enhance support from the current customer base.
5) Improve the CFM shopping experience to increase customer traffic and facilitate transactions during market hours.

The CFM will address these priorities while also working to increase diversity of the CFM customer base by targeting four demographic groups in the Chapel Hill-Carrboro community that are currently underrepresented in the CFM customer demographic profile: college students, older adults, low-income community members, and ethnically diverse community members. The marketing strategy over the next five years will focus on continuing to engage the existing customer base while strategically targeting these four demographic groups with tailored messaging through appropriate communications channels. The CFM will accomplish all of this using a variety of tactics that leverage existing assets, as well as by growing new partnerships throughout the community.

At the end of five years, CFM vendors will see increased sales leading to greater financial security, business viability, and increased ability to innovate. CFM shoppers will be better informed about the impact of their food choices on the local economy, their own health, and the environment, and will also use the CFM as a way to access fresh, healthy food. The Chapel Hill-Carrboro community will have more opportunities for different groups of community members to interact, sharing their diverse cultures and perspectives and creating a richer community tapestry.

All this work will be funded through a combination of revenue streams that include vendor fees, apparel sales, sponsorships, and other revenue sources generated through a non-profit arm of the CFM. Projected costs to achieve these priorities are $90,000-$113,000 per year over the next five years.
About the Carrboro Farmers’ Market

The Carrboro Farmers’ Market (CFM, or Market), located in Carrboro, North Carolina, is nationally recognized as one of the finest all-local markets in the country. It is proud to work toward its mission of creating and sustaining a vibrant and innovative market that supports local farmers and artisans, while extending the benefits of local food to the greater community. To honor the rich heritage of the Market, it seeks to work with:

- Members: to provide the best venue and support to nurture and maintain healthy sustainable farms and artisan-based businesses;
- Customers: to provide access to the highest quality fresh local food in an environment that fosters the relationship between farmer, artisans, and customers; and
- Community: to expand the reach of the Market and create a strong local food ethic for our community.

The CFM is already working toward its mission by providing many important benefits:

- Fostering direct relationships between local producers and community members. CFM customers say the top two reasons they shop at the CFM include supporting local farmers/businesses, and having direct contact with food producers.
- Serving as an economic engine and incubator for small local businesses: More than 90 cents of every dollar spent at farmers’ markets goes back to the farmer (compared to only 16 cents of every dollar spent on food within the industrialized food system), and 65% of CFM customers also do additional shopping at local businesses after they stop at the Market.
- Improving public health and nutrition through community education and access to fresh, health, local food: In addition to hosting educational events such as canning and cooking classes, the CFM was the first farmers’ market in the Triangle region to accept Supplemental Nutrition Assistance Program (SNAP) benefits through acquisition of an Electronic Benefits Transfer (EBT) machine.
- Acting as community gathering space and social nexus: Shoppers have an average number of 15-20 social interactions at a farmers market versus 1-2 at a grocery store. As one of the largest farmers’ markets in the region, the CFM sees up to 5,000 customers on any given Saturday midseason.

The CFM has been recognized as a “flagship market of the Southeast” by national organizations such as the Community Food Security Coalition and the Southern Sustainable Agriculture Working Group (Southern SAWG), as well as national publications such as Southern Living magazine, New York Times, and Bon Appetite magazine. The Market is a tourist destination within the Chapel Hill/Carrboro community and was pictured on the 2011 cover of the Orange County Visitor’s Guide Brochure.

History

The Carrboro-Chapel Hill area has a rich history of supporting local producers. In the 1970s, the precursor to the CFM grew from “truck-markets” at St. Thomas Moore Church and Airport Road, and

3 Project for Public Places.
was originally located on Columbia Street near Rosemary, then moved to the parking lot of the old Brady’s Restaurant on Franklin Street, and finally to the Church of Reconciliation. In 1978, the North Carolina General Assembly granted the Town of Carrboro funding to build a structure on Roberson Street with property leased by Carr Mill Mall to house the Market, and the CFM officially opened in 1979. The Market had fewer than 20 farmers for the first few seasons, but by the mid-1980s had grown to more than 50. By 1989 there were 90 members, and the Market began looking for a new, permanent home to accommodate the growing membership. In 1993, with strong support from community leaders (including Senator Ellie Kinnaird), the North Carolina General Assembly approved a grant to complete site improvements at the Carrboro Town Commons. In 1995 the Market hired its first employee, a manager to run the Saturday Market. The CFM moved to the Carrboro Town Commons 1996 and is still located there today. In 1997 the CFM opened the first Wednesday afternoon Market, which replaced a market previously held on Tuesday afternoons at Cedar Falls Park on Weaver Dairy Road in Chapel Hill. The Wednesday Market has since grown from 13 to 30 farmers per season.

Core Activities
In addition to operating a year-round Saturday market and a Wednesday market from April to November, the CFM engages in a number of other activities:

Educational Events
The CFM hosts a wide variety of events and classes throughout the season, including canning classes, sampling events from local chefs, a Kids’ Seedling Day, Food Truck Rodeos in partnership with local food truck vendors and the Town of Carrboro, a Strawberry Jamboree, and Tomato Day (the Market’s signature annual event). In 2012, CFM special events reached over 4,500 community members.

Community Outreach and Food Assistance Programs
The CFM is a leader across North Carolina in promoting food access and outreach, and has worked with community partners for many years to educate and increase food access for all community members. The CFM has partnered with a wide variety of community organizations, universities, businesses, and other individuals and groups to connect farmers and community members while giving back to the community. Key partnerships include Farmer Foodshare, the UNC Center for Health Promotion and Disease Prevention, Piedmont Health Services, UNC students, the Inter-Faith Council for Social Services, Lantern Restaurant, Chapel Hill-Carrboro City Schools, and many more.

In 2010, the CFM began accepting SNAP benefits through acquisition of an Electronic Benefits Transfer (EBT) machine. In the past 3 years, over $25,000 has been spent at the Market by low-income shoppers. The CFM also accepts benefits from the federal Women, Infants, and Children (WIC) Farmers’ Market Nutrition Program (FMNP) program, as well as the Senior Farmers’ Market Nutrition Program (SFMNP). CFM customers are overwhelmingly supportive of the Market’s food assistance programs: 68.5% of CFM customers are “more interested” or “much more interested” in supporting the Market because it accepts SNAP benefits.

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In 2010 the CFM also conducted targeted outreach to community members who participated in SNAP and established an incentive program (“Market Match”) that provided financial incentives for SNAP customers by matching the amount they spent with additional “match tokens” up to $20 per market day. The program quickly increased SNAP customer patronage: during the peak season, 1 of 5 CFM customers were SNAP participants, exceeding the national average, and over $9,000 of SNAP benefits were spent in 6 months at the CFM in 2010. The program was so successful that CFM SNAP evaluation and outreach program materials are being shared nationwide.

Leadership and Networking
The CFM has been a leader in sharing its practices, rules, and regulations with hundreds of other local markets across the country, as well as networking with other farmers’ markets and key industry advocates including the Farmers’ Market Coalition. This has not only helped advance the industry as a whole but has also increased the CFM’s perceived value among other farmers’ markets and advocacy groups.

CFM Vendors (Suppliers)
Vendors at the CFM sell a wide variety of products. The majority of vendors sell primarily produce (45.8%), followed by prepared foods (29.2%), other products (12.5%), crafts (8.3%), and nursery plants (4.2%). Vendors also sell meat, fish, mushrooms, and other products. Approximately 60% of CFM vendors also sell at other area farmers’ markets.

CFM Customers (Buyers)
The CFM customer profile is relatively homogenous compared to the Chapel Hill-Carrboro community and Orange County as a whole. According to a dot survey conducted at one Saturday market in 2011, approximately 93% of CFM customers are Caucasian, 86% have earned a Bachelor’s degree or higher and 29.1% have a household income of over $100,000 per year (See Appendices A and B). The median income of CFM shoppers is $60,000-$79,000 per year. This is comparable to the community-wide median family income in Chapel Hill-Carrboro ($75,178). CFM customers tend to be younger (the largest age category is 21-35). While 25% of customers have patronized the CFM for over 10 years, the majority of customers have only been shopping at the CFM for one year or less. Nearly 75% of CFM customers live within 10 miles of the Market. Only 25% of CFM customers visit the Market weekly. However, 18.8% of CFM current customers indicate they are already spending as much as they are able at the Market.

CFM customers say the most important reasons they shop at the CFM include supporting local farmers/businesses, having direct contact with food producers, and product quality and freshness. Price was ranked as relatively the least important reason they shop at the Market. Only 45.7% of CFM customers believe the CFM has higher prices than other grocers, while 42.8% believe it has lower prices.

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10 Sarah Blacklin, personal communication, 11/18/12.
CFM customers indicate they would purchase more fruit, berries, vegetables, and produce at the CFM if it were more readily available.\textsuperscript{14}

\textbf{Marketing Strategy}

The CFM’s current marketing strategy relies primarily on word of mouth and electronic communications, and targets a very general audience comprised largely of existing CFM customers. Specifically, the CFM uses the following marketing tactics:

- **E-newsletters**: twice-weekly e-newsletters are sent to individuals who sign up on the CFM website or at the Information Booth. These e-newsletters contain information about products currently available at the Market, upcoming events, CFM vendors, recipes, and more. Nearly 2,500 individuals are subscribed to the e-newsletter\textsuperscript{15}.
- **Website**: The CFM website provides up-to-date information about market hours, special events, farmer profiles, and other news. In 2012 to date, the website has had 40,500 unique visitors and over 4.7 million hits.\textsuperscript{16}
- **Facebook and Twitter**: The CFM Facebook page has more than 2,500 “likes” and provides updates on upcoming events, shares pictures of products and vendors, and more. The CFM Twitter account has over 1,100 followers.
- **Yelp and Foursquare**: the CFM Yelp profile has an average rating of 4 ½ stars (on a scale of 1 to 5), and its Foursquare profile has an average score of 8.1 (on a scale of 1 to 10).
- **Press releases**: The CFM issues monthly press releases to local media outlets announcing upcoming events, acceptance of nutrition assistance program benefits, availability of Market Match incentives, and more.
- **News features**: The CFM has been featured in many local, regional, and national news and magazine articles.
- **Ads**: The CFM purchases ads in the Carolina Farm Stewardship Association’s annual Farm Tour brochure, as well as the Southern SAWG conference book.
- **CFM special events** (described in “Vision for the Future” section)
- **Promotional products**: The CFM distributes bumper stickers and sells T-shirts and re-usable shopping bags at the Information Booth. Approximately 850 bumper stickers and 800 T-shirts are sold or distributed each year.
- **Posters and flyers posted around the community**

A survey of CFM customers indicates the most common sources of information about the CFM are: 1) word of mouth; 2) the twice-weekly e-newsletter; 3) the CFM website; 4) “other”; 5) Facebook/Twitter; 6) newspaper; and 7) onsite signage.\textsuperscript{17}

\textbf{Organizational Structure, Governance, and Staffing}

The CFM is a farmer-owned and –operated limited liability corporation (LLC) consisting of approximately 100 individual farm and artisan businesses. It has in place strict regulations requiring all vendors to grow or make their products within 50 miles of the market, and all products must be sold directly by the growers themselves. The CFM is governed by a seven-member Board of Directors comprised entirely of CFM vendors who are elected by the general membership to a one- or two-year term. The Board of

\textsuperscript{14} Carrboro Farmers’ Market (2011). \textit{Customer Survey}.
\textsuperscript{15} Sarah Blacklin, personal communication, 11/26/12.
\textsuperscript{16} Carrboro Farmers’ Market (2012). \textit{Website stats}.
\textsuperscript{17} Carrboro Farmers’ Market (2011). \textit{Customer Survey}.
Directors develops and enforces the CFM Bylaws with CFM membership approval. See Appendix C for the Board of Directors responsibilities.

The CFM supports one full-time and two part-time staff positions: a Market Manager at 40 hours per week, an Assistant Manager at 10 hours per week, and a Food Outreach Coordinator at 10 hours per week. The Market also contracts with an accountant and a web designer to manage the Market website. The CFM does provide benefits or overtime to its employees. Please see Appendix D for the Market Manager, Assistant Manager, and Food Outreach Coordinator position descriptions.

Due to its very limited staffing budget, the CFM relies heavily on volunteer efforts and works with an average of 30-40 volunteers per year who staff special events and the Information Booth at each market. The CFM also relies on in-kind donations of time, expertise, and pro-bono services such as printing and legal counsel. The CFM also depends on close community partnerships for organizational development, program administration, and other logistical assistance. For example, UNC’s Center for Health Promotion and Disease Prevention (HPDP) is a key partner that connects the CFM with graduate student interns, as well as program development and evaluation expertise.

Market Analysis and Trends

Industry Characteristics and Trends
Farmers’ markets in the Triangle region of North Carolina operate in an industry with certain characteristics and trends. Four key trends and characteristics are described below.

Growth of farmers’ markets: While starting a farmers’ market is a time- and resource-intensive process, both the nation as a whole and the Triangle region of North Carolina have seen a dramatic increase in the number of farmers’ markets over the past decade, and especially over the past few years. In 2012 there were over 7,800 farmers’ markets across the U.S., a 9.4% increase from 2011. North Carolina is among the states in the country with the most farmers markets. There are at least 22 farmers’ markets in the Triangle region of North Carolina alone (Orange, Durham, and Wake Counties), and 53 farmers’ markets within a 50 mile radius from Carrboro (See Appendix E for a map).

Food access and outreach: The recent increased attention on obesity and access to fresh, healthy food for low-income individuals is resulting in more funding, resources, and regulatory environments that support farmers’ markets’ acceptance of federal nutrition assistance program benefits such as SNAP, WIC, and SFMNP. Not only do these programs provide access to healthy food among low-income community members, but they also create a “ripple effect through the economy;” a 2008 Moody’s Economic Study showed that every dollar of Supplemental Nutrition Assistance Program (SNAP, formerly Food Stamp) benefits spent within a local economy results in $1.73 in economic stimulus, indicating that “SNAP is one of the most effective ways to prime the economy’s pump.”

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Incentive programs such as CFM’s Market Match also have strong evidence supporting their effectiveness in bringing new customers to farmers’ markets, increasing farmer revenue and making fresh food more affordable for low-income customers. Other farmers’ markets across the nation who have instituted Market Match-like programs not only saw increases in customers while the “match” was offered, but also experienced sustained increases in customer numbers even after the incentive program ended. In a nationwide evaluation of other farmers’ market incentive programs, 73% of SNAP customers who receive incentives report that they would not have come to the farmers market if the incentives were not offered. Studies show that as SNAP customers become comfortable shopping at farmers’ markets, they attribute value to the experience, community, and higher quality of produce, more than the price, and continue to shop at the markets even after incentive programs end.\textsuperscript{21}

**Other food retail outlets:** The Chapel Hill-Carrboro community has a wide selection of other food retail outlets that may compete for CFM customer dollars. These competitors including four full-service grocery stores (Harris Teeter, Weaver Street Market, and two Food Lions) within 1.5 miles of the CFM. Whole Foods, Trader Joe’s, A Southern Season, and a number of other grocery store chains have locations within 5 miles of the Market. There are also several Dollar General Stores, ethnic groceries and tiendas, gas stations, drug stores, and even specialty stores (for example, Cliff’s Meat Market in downtown Carrboro). There are also more than 50 approved SNAP retailers within five miles of the CFM (See Appendix F);\textsuperscript{22} 15 WIC-authorized retailers in Carrboro, Chapel Hill, and neighboring Hillsborough; and even more in Durham and the rest of the Triangle region.\textsuperscript{23} The Triangle also has several big-box stores such as Sam’s Club, Wal-Mart, and Costco that provide a convenient one-stop shopping alternative to farmers’ markets which generally sell only food and crafts.

There are also many options in Chapel Hill and Carrboro for purchasing local, organic, and “whole” foods. Higher-end full-service grocery stores such as Weaver Street Market, Whole Foods, and Fresh Market, and even traditional/conventional grocery stores such as Harris Teeter and Food Lion now carry organic options. Specialty stores like A Southern Season offer specialty products such as cheeses, condiments, and meats that may compete with some CFM vendors’ products. In addition, alternative direct sales models that provide alternatives to shopping at farmers’ markets are also growing. These include Community Supported Agriculture (CSA) programs, roadside stands, and produce delivery services such as The Produce Box or Veggie Van.

A variety of factors influence buyer decisions to shop at farmers’ markets versus other food retail outlets. These factors include price, perceived relative cost, convenience, quality, perceived health impact, environmental impact, grower practices such as organic or biodynamic, impact on the local economy, preferences for the social experience of shopping at a farmers’ market, and other personal values such as animal welfare, fair trade, and others.\textsuperscript{24} The relative importance of these factors varies across customer groups. Further, while some buyers perceive a differential advantage to purchasing products at a farmers’ market versus other food retail outlets, others may not make much or any differentiation between farmers’ market products or even between products from different farmers’ markets.


\textsuperscript{22} US Department of Agriculture, Food and Nutrition Service (2012). *SNAP Retail Locator.* Retrieved from \url{http://www.snapretailerlocator.com/}.


\textsuperscript{24} MarketLine (2012). “MarketLine Industry Profile: Food Retail in the U.S.”
**Price comparisons**: Farmers’ markets are often perceived as more expensive than other food retail outlets. However, recent research indicates farmers’ markets often offer competitive pricing, particularly for organic produce. A 2011 study of farmers’ markets in 19 communities throughout the U.S. Southeast found that produce was less expensive at farmers’ markets compared with supermarkets in 74% of communities, and was on average 22% less expensive. Further, organic produce was less expensive at farmers’ markets than supermarkets in 88% of the communities, and was on average 16% less expensive. Another recent study found that farmers’ market prices for 13 of 14 organic produce items were less expensive than grocery store or co-op prices.

**Technology**: Technology trends at farmers’ markets increase mobility and flexibility for vendors and shoppers alike. For example, the “Square” allows an individual vendor to accept credit cards using their smartphones, and the iPhone-based application Mobile Market+™ from Novo Dia Group allows participating farmers’ markets in Texas to process WIC electronic benefits transfer (EBT) cash-value benefits transactions using smartphones without the need for a separate EBT machine. This trend will likely present both opportunities to make food assistance benefits more “mobile,” as well as significant barriers because many farmers and farmers’ markets may not have current technology such as smartphones.

**Porters’ Five Forces**

Porter’s Five Forces is a useful framework for industry analysis and business strategic development that examines competitive forces influencing competition within an industry. For farmers’ markets, the buyers are farmers’ market customers, and suppliers are the farmers/vendors.

**Threat of new entrants**

Industry trends at both the national and regional level, which are described above, are lowering barriers to entry for new farmers’ markets to open. However, significant local-level barriers exist, such as lack of access to physical space to hold a market and lack of funding or other capital to start a market. In addition, the large number of farmers’ markets already operating in the Triangle region may discourage new markets from opening.

**Threat of substitutes**

As described above, many substitutes to farmers’ markets exist in the Chapel Hill-Carrboro community and in the greater Triangle region. Substitutes are different for higher-income buyers than for low-income

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buyers. General factors that may influence substitution include price sensitivity, transportation issues, limited hours of farmers’ markets, product mix, and product availability. Due to the year-round growing season, farmers’ markets in North Carolina are less influenced by seasonality than those in other regions of the country. However, the CFM operates on reduced days/hours in the winter, and experiences lower customer volume due to a combination of reduced hours, less favorable weather, and less product availability.

Low-income buyers, in particular, face a number of perception, cost, and logistical barriers that increase the attractiveness of substitutes to the CFM. Perception about higher prices at the CFM compared to other food retail outlets may lead low-income individuals to spend their money or federal nutrition assistance benefits elsewhere. In cases where CFM products are actually a higher price than substitutes, low-income buyers likely have higher price sensitivity and are more likely to seek lower-cost substitutes. Further, the limited hours of the CFM and the timing of the market hours may make it difficult for lower-income community members to find transportation to the Market.

Higher-income buyers may not weigh all of the same factors as low-income buyers when choosing among substitutes. However, for higher-income buyers for whom factors such as perceived quality, variety, and brand loyalty are not important, the perceived level of product differentiation may be low since farmers’ markets often offer very similar or identical products to those available at other food retail outlets. Customers who develop brand loyalty may perceive a higher level of product differentiation.

Buyer Power
Farmers’ market customers have a significant amount of bargaining power for several reasons. First, as described above, they have many alternative options for purchasing similar products to those available at the CFM. Buyer switching costs are low, so customers can easily choose to purchase food through other retail outlets. There is a much higher level of product differentiation among specialty, luxury, and organic retailers such as farmers’ markets than that among other food retail outlets such as grocery stores, supermarkets, and wholesalers. This high level of differentiation results in a limited customer volume, which increases buyer power.28

Supplier Power
The CFM brand is a strong driver for many producers to sell at the CFM, and a catalyst for them to develop and strengthen their own brand. However, there are increasingly diverse outlets for them to sell their products, including other direct sales outlets (CSAs, roadside stands, you-pick operations, etc.), restaurants, institutional markets (schools, universities, hospitals, etc.), and wholesale. Direct sales outlets such as farmers’ markets tend to bring in the highest prices and have the fewest externalized costs so farmers’ receive a larger percentage of the revenue. For this reason, farmers’ markets tend to be a lucrative but low-volume direct sales venue. Supplier switching costs to alternative markets such as restaurants or institutions (schools, colleges, hospitals, etc.) are significant. Many farmers who sell at the CFM are small scale and may not have the capacity to sell in larger markets. Some farmers do diversify their income streams through other direct sales outlets, but these are complements, not alternatives, to their farmers’ market sales. Further, many farmers may need to invest in equipment or supplies to change what products they grow or raise, as well as change their planting schedule.

Competitor Rivalry

Despite the significant growth in the number of farmers’ markets in the Triangle region in recent years, there is only low-to-medium competition among farmers’ markets for vendors and customers. This is likely due to the rapidly growing population of the Triangle region which increases the potential customer base. Competition between farmers’ markets hinges on factors such as geographic proximity, perceived variety, perceived product quality, and “extras” such as special events, product mix, and community features such as food trucks. It is unclear whether the level of competition among farmers’ markets in the Triangle region is increasing. In a recent survey, 50% of CFM vendors said their sales increased in 2011 compared to 2010, 20.8% said they decreased, and 29.2% said their sales stayed about the same. As already mentioned, the majority of CFM vendors also sell at other farmers’ markets in the region.

The Durham Farmers’ Market, located in neighboring Durham County, is the CFM’s strongest competitor because it is similar in size, operates year-round, offers similar levels of programming and outreach, and has significant customer overlap with the CFM. Similar to the CFM, the Durham Farmers’ Market is an all local, producer-only market, with all vendors located within 70 miles of the market.

Competitive Advantage/Strategic Positioning

Competitive Advantage
The CFM has a number of advantages over competitors, including its brand, perceptions of product quality and variety, the unique social environment, community outreach and programming, and year-round operation.

The CFM’s long history and excellent reputation in the Triangle region, as well as across the state and nation, is a strong competitive advantage over other farmers’ markets in the region. The CFM itself is a tourist attraction, and its continued association with local restaurants and other businesses that also receive regional or national acclaim will continue to help it maintain its reputation and the strength of the CFM brand. Many CFM customers develop strong brand loyalty, not only to the market, but also to specific farmers or vendors.

There are strong perceptions that the CFM offers superior product quality and variety compared to other food retail outlets. Nearly all (95%) of CFM customers believe the products they purchase from the CFM have higher quality than other grocers, and 52% believe the CFM has more variety than competing grocers. Other public markets in the U.S. and Canada have demonstrated that focusing on providing the highest quality and best range of offerings of fruits, vegetables, meats, cheeses, prepared, foods, crafts, and more is the essential requirement for success.

As already described, the social environment is another key advantage farmers’ markets offer over other food retail outlets. Finally, the CFM is one of only a few farmers’ markets in the Triangle region that operates year-round. It is the only farmers’ market in Chapel Hill-Carrboro that operates a Wednesday.

market. Capitalizing on the Wednesday market and increasing appeal of the winter market will be key to supporting growth.

**Strategic Positioning and Maintaining Competitive Advantage**

The CFM can strategically position itself and maintain its unique competitive advantage over other farmers’ markets and other food retail outlets in the Triangle region by continuing to highlight and grow its strong food assistance programs, increasing product variety, enhancing the social atmosphere, and targeting underrepresented demographic groups for marketing and outreach.

Only two other farmers’ markets in the Triangle region besides the CFM operate EBT machines (the Downtown Raleigh Farmers’ Market and the Western Wake Farmers’ Market). Neither of these farmers’ markets are in close geographic proximity to the CFM and do not directly compete for local SNAP customers. The Durham Farmers’ Market, the CFM’s closest comparable competing farmers’ market, may obtain an EBT machine, so the CFM may need to consider how to attract and retain local SNAP customers in the future. In addition, the CFM can continue to differentiate itself by increasing the variety of products available at the market to align with customer preferences described in the “CFM Customers” section. Finally, the Market could enhance the social atmosphere even more by continuing to grow the CFM’s events and educational programming, and by adding unique features such as live music.

Finally, the CFM can help maintain its competitive advantage by expanding its appeal to a broader, more diverse customer base through strategic outreach and marketing to four demographic groups that are currently underrepresented in the CFM’s customer profile:

- **College undergraduate and graduate students:** Many of Carrboro’s residents are students, faculty, and staff of the University of North Carolina (UNC). In 2010, 39.1% of the Orange County population was under the age of 25, likely due to the large UNC student population. Young adults, including UNC students, are becoming increasingly interested in learning more about where their food comes from and are choosing to eat more local, sustainable, healthy food. In order to meet this growing demand, UNC Dining Services has begun offering several options for students to choose locally-sourced food, including 1.5.0, a dining concept that sources its food within a 150-mile radius of UNC’s campus. UNC also has a student group (“Fair, Local, Organic,” or FLO) that works closely with UNC Campus Dining Services to increase the amount of locally-sourced food that is served in UNC dining halls. FLO also holds an annual Spring Farmers’ Market on the UNC Campus and actively advocates for, and raises awareness among, UNC students about making local, sustainable food choices. College students can be challenging to engage, due mostly to their physical distance from the Market (UNC’s campus is approximately a mile and a half from the Market), lack of convenient transportation, and perceived cost of farmers’ market products.

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• **Older adults:** Nearly 15% of Orange County is over 60 years old and this age group is projected to grow to 23.3% by 2030. It is fairly diverse, with 15.5% African American, 1.5% Asian, and 1.0% Latino, higher than the state average. Approximately 5.5% of Orange County residents over age 65 live below the federal poverty level and an additional 14% live between 100-199% of the federal poverty level. In Orange County only 36% of eligible adults over age 65 are enrolled in SNAP (Food Stamp) Program, and only 14% of seniors eligible for the Senior Farmers’ Market Nutrition Program actually redeem those benefits. These low participation rates are due in part to generational perspectives on federal nutrition assistance and value on independence. Barriers to older adults patronizing the CFM include fear of falls, lack of transportation, and lack of awareness that the CFM accepts food assistance benefits. Many older adults who are less mobile and confined at home may lack opportunities for social interaction which the CFM could provide.

• **Low-income community members:** Despite the relatively high median income of the area, more than 9,000 Orange County residents participate in SNAP, and the number of SNAP-eligible residents grew by over 14% from 2005 to 2010. A survey of Orange County SNAP participants indicates there is interest in purchasing locally-grown foods; 58% of the 65 respondents strongly agreed with the statement, “I want more fresh fruits and vegetables in my diet,” and expressed an interest in “buying local.” However, only 15% of the respondents reported purchasing groceries from farmers markets. A 2012 study of low-income North Carolinians participating in SNAP found that the most common barriers to shopping at farmers’ markets were not being able to use food assistance program benefits (35.3% of respondents). Further, these community members may lack transportation options to the CFM, particularly if they live in neighborhoods that are underserved by public transit. Lack of information about Market food assistance programs and incentives, as well as cost, are also barriers to higher patronage by this group.

• **Ethnically diverse community members:** Orange County’s ethnic minority and immigrant populations are growing very rapidly. In 2010, 11.9% of Orange County residents were Black, 8.2% were Hispanic/Latino, and 6.7% were Asian. Orange County’s Hispanic/Latino ethnic population has nearly doubled from 4.5% in 2000 to 8.2% in 2010. Carrboro is 13.8% Latino, the highest concentration of Latinos in the county. This mirrors trends across the state of North Carolina. The immigrant population has also increased, particularly among Latino, Burmese, Chinese, Asian Indian, and Korean communities. These diverse groups contribute to the rich cultural tapestry of the community and bring with them unique cultural food traditions and preferences.

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37 North Carolina Division of Aging and Adult Services (2010). *SNAP participation rates among older adults, November 2010.*
38 North Carolina Department of Health and Human Services, Food and Nutrition Services (2010).
39 Orange County Department of Health (2010).
**Vision for the Future**

The Carrboro Farmers’ Market vision for the future is a community of: thriving, innovative local producers; informed, intentional, and healthy community members; and secure, protected farmland.

The CFM is committed to working toward its mission of creating and sustaining a vibrant and innovative market that supports local farmers and artisans, while extending the benefits of local food to the greater community.

Two key components to achieving this mission are:

1) *Increasing vendor sales*: By increasing vendor sales, the CFM will help increase vendors’ financial security, business viability, sustainability, and ability to innovate. This will be achieved by maintaining the loyalty of the existing CFM customer base while also bringing in new customers from the four target community groups previously described.

2) *Increasing capacity of the CFM to conduct community outreach*. When the CFM has greater ability to engage and educate the community, it will not only help cultivate a community where members are educated on making food choices that improve their health and benefit the local economy, but it will also help build demand for the CFM brand and products sold by its vendors.

The current problem is that the Market has reached physical capacity and is not accepting new vendors. As a result, no new farmers’ can grow their businesses by selling at the CFM, nor can the Market generate more revenue through vendor fees. This situation, combined with the fact that the CFM cannot access certain funding sources because it is not a 501(c)3 organization, means that the Market has maximized all current revenue sources and does not have financial resources to grow. In order to address this challenge, the CFM has identified five priority areas on which to focus over the next five years. All of these priorities aim to increase revenue and other resources to improve support for CFM vendors and community outreach efforts:

In order to address the problem of limited resources for growth, the CFM Board of Directors, guided by the CFM Market Manager and with input from CFM members, engaged in a strategic visioning process that identified the following priorities for the Market over the next five years. See Appendix G for a logic model. All of these priorities aim to increase revenue and other resources to improve support for the CFM vendors and the community:

**Priority 1: Diversify income streams.** Expanding revenue streams to include sources that do not depend on the number of vendors or the Market’s lack of 501(c)3 status will increase financial security and generate additional revenue to achieve the other priorities below. Securing “sponsorships” from local businesses and other community partners to fund other CFM activities, particularly community outreach and education initiatives, is a promising strategy. The CFM has already secured a sponsorship from UNC Healthcare, but additional sponsorships are still needed. The CFM may strategically approach other businesses in the community with a community outreach component to their mission or philosophy, such as State Employees Credit Union, Self Help, A Southern Season, or others.

Creating a non-profit arm of the CFM, such as a “Friends of the CFM” entity, is a viable option to allow the CFM access to funding sources such as grants and tax-deductible donations. Such an entity would include community members and partners on its governing board and serve as the non-profit donation recipient and a revenue generator for the CFM.
In addition to creating additional revenue streams, installing a permanent on-site ATM will improve safety and security while ensuring consistent revenue through transaction fees. Installing a permanent ATM may involve submitting a proposal to the Town of Carrboro to show economic impact of the CFM. The economic impact can be measured using the Market Sticky Economic Evaluation Device (SEED) developed by Marketumbrella.org. Data from this study could be used both to advocate to the Town of Carrboro for a permanent ATM, as well as in other funding proposals.

**Year 1 Goals:**
- Maintain current UNC Healthcare and Laser Printing sponsorships and develop infrastructure to manage additional sponsorships.
- Present to the CFM Board of Directors options for, and feasibility of, creating a non-profit arm of the CFM. Begin targeted outreach to community members to serve on board of directors.
- Install a permanent, on-site ATM at the Carrboro Town Commons.
- Evaluate the economic impact of the CFM using SEED.

**Year 3 Goals:**
- Maintain existing sponsorships and secure at least two additional sponsors that generate a total of $5,000 per year.
- Complete requirements and secure 501(c)3 status for the non-profit arm and achieve full operation. The non-profit arm will generate $10,000 in revenue in Year 3.

**Year 5 Goals:**
- Fully implement the sponsorship program and generate $6,000 annually.
- Fully implement the non-profit arm, which will be self-sustaining and generate $25,000 in funding in Year 5.

*Tactics to achieve goals:* The CFM staff and Board of Directors will identify and reach out to key community partners to gauge interest in becoming a sponsor. Outreach will also target community members with expertise needed for the non-profit arm of the CFM such as fundraising experience, non-profit management, and marketing skills. Consult Marketumbrella.org about conducting a SEED evaluation, and recruit volunteers to help administer the SEED. Consider hiring a consultant to guide the non-profit formation process. Use existing contacts within the Town of Carrboro to advocate for the permanent on-site ATM.

*Additional resources needed:* Community sponsors, volunteers to serve on the board of the non-profit arm and pursue funding opportunities, volunteers to assist with SEED administration, CFM-raised funding ($2,500) and Town of Carrboro match funds for installing permanent on-site ATM and ongoing maintenance costs.

**Priority 2: Improve on-site infrastructure.** The Market’s physical space at the Carrboro Town Commons is in need of improvements. The most pressing need is repairing the “in-field” area and installing better drainage and erosion prevention systems. Repairing the in-field will increase the amount of physical space vendors can use, which may allow additional vendors to sell at each market day. The CFM is holding conversations with the Town of Carrboro Public Works Department about cost-sharing to raise the estimated $25,000-$50,000 needed to complete the repairs, and has already raised $6,000 in 2012. Additional onsite improvements may involve installing additional seating, installing roll-down sides and space heaters in the pavilions, purchasing mobility devices to be made available at the information booth, and purchasing signage in Spanish. In addition, limited parking is cited by CFM customers and vendors alike as a major issue, and options to improve parking near the Carrboro Town Commons are
very limited. This limits customer traffic to those that can park in the limited space available or travel to the Market by other modes such as walking, biking, or taking public transit. In addition, many members of the target customer groups have limited transportation options and rely heavily on public transit, so improving public transit service to the CFM is important. The Market is currently served by only one Chapel Hill Transit bus route (the CW) on Saturdays and two routes (the CW and J) on Wednesdays. Modifying routes to improve service will involve working with Chapel Hill Transit to identify options for increasing the number of buses that serve the CFM during market hours, and ensuring those buses serve low-access neighborhoods. The CFM can also work with private shuttle services or the Orange County Orange Bus to offer shuttle service to the CFM for the four target community groups. Targeting older adults, who may be home-bound or unable to drive, could be a particularly valuable service.

**Year 1 Goals:**
- Raise an additional $6,000 for in-field improvements in each of Years 1 and 2, secure Town of Carrboro cost-share funds, hire site planner to cost repairs and develop work plan, and identify contractors to do the repairs.
- Conduct a cost analysis for additional improvements (seating, Spanish language signage, roll-down pavilion walls, heaters, mobility devices) and identify funding options.
- Initiate conversations with Chapel Hill Transit, Orange County, and private shuttle services to explore the feasibility of modifying bus and shuttle routes, and cost-sharing options. Conduct cost analysis and identify funding options.

**Year 3 Goals:**
- Complete in-field repairs and install drainage system.
- Purchase and install additional improvements including seating, heaters, roll-down sides, Spanish signage, and mobility devices.
- Implement one new or modified bus route or shuttle route that serves the CFM during Saturday market hours.

**Year 5 Goals:**
- Reassess infrastructure conditions and identify additional needed repairs or improvements.
- Implement a total of two new or modified bus routes or shuttle routes the serve the CFM during market hours (one during Saturday market hours and one during Wednesday market hours).

**Tactics to achieve goals:** Leverage existing relationships within the Town of Carrboro to facilitate discussion about repairing the in-field. Conduct a fundraising event series to raise funds needed for in-field repairs. Work with UNC planning students to conduct an impact analysis of altering bus routes, and present the analysis to Chapel Hill Transit.

**Additional resources needed:** The Town of Carrboro, Chapel Hill Transit, private shuttle services, equipment (seating, heaters, roll-down sides, signs, and mobility devices), contractors to perform in-field repairs, funding ($20,500) for in-field repairs and other improvements.

**Priority 3: Provide more educational opportunities for CFM customers and the community.** Hosting more on-site special events similar to the CFM’s annual Tomato Day, as well as educational events such as canning and preserving classes, will provide many benefits to the CFM, its vendors, and community members. These benefits include increasing customer traffic, educating the community about healthy food preparation, improving new customer comfort in the market environment, providing opportunities for participants to interact with farmers and try their products, raising awareness about the CFM and the importance of “buying local,” and increasing the perceived value of local food, farms, and nutrition.
Possibilities for new events include a winter event similar to “Tomato Day” that highlights a winter market product. The new educational events will target at least one of the four target community groups. Examples include “Cooking in College Day,” “Elders Eat Day,” and classes such as “CFM on a Budget” and “Making Culturally Traditional Recipes.”

Year 1 Goals:
- Investigate the educational interests and needs of the four target community groups. Identify event partners and funding options.
- Hold at least one new on-site educational event.

Year 3 Goals:
- Continue existing event schedule and host at least two new on-site events that reach 100 individuals.

Year 5 Goals:
- Hold at least six on-site events annually that reach 500 individuals.

Tactics to achieve goals: Conduct surveys with target customer groups to determine educational interests and needs. Identify and prioritize community partners who are interested in collaborating to provide educational opportunities. Develop strategy for funding and planning new events. Involve community partners to collect the necessary resources to hold the events. Solicit feedback on events to improve them over time and identify additional options for events.

Additional resources needed: Funding ($1,450-$1,700 per year), volunteers, event-specific supplies and materials, marketing resources.

Priority 4: Increase community outreach and strengthen food assistance programs. While low-income customers may not represent the customer group with the most spending potential, investing in community outreach and food access initiatives is the perfect opportunity for the CFM to grow its presence in the community, increase access to healthy, local food among all members of the community, and reach an important target customer segment. As already described, the current CFM customer base is supportive of the Market’s efforts to conduct food outreach initiatives. The CFM needs a more robust and systematic community outreach plan that increases marketing focus and directs existing resources in the most efficient manner. Key components of this plan will include:

- Developing more formal partnerships: The CFM will focus on formalized, long term partnerships with public schools; local food security, food justice, and food access organizations; churches and places of worship; the University of North Carolina and other educational institutions in the Triangle region; and organizations that serve the four target community groups. Through these partnerships the CFM can both contribute to partner efforts and leverage partner resources to increase its own capacity for food outreach.

- Improving the CFM’s food assistance programs (SNAP, WIC, and SFMNP): This will be accomplished by increasing ease of use and navigability of the Market for customers participating in these programs. This may involve developing orientation materials in both Spanish and English, providing cost comparisons with other retail food outlets, providing signage to indicate which vendors accept food assistance benefits, and more.

- Growing and sustaining incentive programs: The CFM’s Market Match program (described in the Core Activities section) is an effective strategy for sustainable growing customer patronage while providing low-income community members cost-effective access to fresh, local food. The

CFM will expand the Market Match program to provide incentives not only for SNAP customers, but also for WIC and SFMNP customers. Incentive programs have also been shown to increase numbers of new customers who are not low-income, so the Market may also implement incentives for the other three target community groups. For example, the CFM may consider offering a “College Student Appreciation Month,” where college students can show their student ID at the Information Booth and receive $5 in incentives to spend at the CFM.

**Year 1 Goals:**
- Identify and prioritize at least three opportunities for community partnerships to increase access to fresh, local food.
- Develop materials to increase ease of use of the CFM food assistance programs.
- Develop long-term plan for offering incentive programs. Identify funding options.

**Year 3 Goals:**
- Implement the community partnerships identified in Year 1.
- Fund and distribute $6,050 in incentives and reach 1,200 customers per year.

**Year 5 Goals:**
- Sustainably fund and distribute at least $12,000 in incentives per year.
- Reach at least 2,400 customers per year through incentive programs.
- Reach 2,000 customers per year through SNAP, WIC, and SFMNP programs.

**Tactics to achieve goals:** Strategically engage community partners to identify opportunities for collaboration to conduct food outreach activities at the CFM and/or in the community. Earmark funds from sponsorships to support Market Match incentive programs.

**Additional resources needed:** Community partners, funding for materials and incentive programs ($5,000-$12,000 per year).

**Priority 5: Improve the CFM shopping experience.** In addition to the strategies already mentioned, a number of additional modifications could improve the CFM shopping experience and make the Market feel welcoming to diverse customers. Providing incentives for customers to shop at the winter market (which operates only on Saturday mornings at reduced hours and receives significantly lower customer traffic than the summer market) could increase customer traffic during the slow season. Working with vendors to modify the CFM product mix to meet the cultural and culinary preferences of the current CFM customer base and the four target community groups may also increase the appeal of shopping at the Market among those customer segments. Many customers and vendors have expressed approval of the occasional live music during market hours, so making live music a regular component of the CFM shopping experience will be a positive addition. The CFM may also consider additional options to enhance the CFM shopping experience, including:
  - Encouraging individual vendors to invest in technology such as Square that would make it simple to accept credit cards.
  - Developing a synergistic relationship with food trucks. Food trucks as a model tend to develop strong brand loyalty and may draw new customers to the CFM if they operate immediately before or after market hours. In fact, the CFM has already partnered with a number of food trucks in the Carrboro community to host “Food Truck Rodeos” that successfully draw customers to the Carrboro Town Commons immediately after market hours have ended.

**Year 1 Goals:**
• Determine product mix preferences of existing CFM customers and the four target community groups.
• Identify and engage community partners to train farmers on modifying product mix.
• Identify budget and funding options for winter market incentive program.
• Establish music program and sign up local musicians.

**Year 3 Goals:**
• Support at least three CFM vendors in modifying their product mix to meet the preferences identified in Year 1.
• Distribute $1,000 in winter market incentives per year.
• Bring in at least 26 musicians to play at the CFM per year, and assess acceptance among customers and vendors.

**Year 5 Goals:**
• Support at least five CFM vendors in modifying their product mix to meet the preferences identified in Year 1.

*Tactics to achieve goals:* Expand on the 2011 customer survey to determine specific products that existing customers and members of the four target community groups would like to see for sale at the CFM. Work with community partners such as Cooperative Extension to train CFM vendors to modify their product mix to meet these preferences. Establish policies and system for music at the CFM, and enroll local musicians. Solicit feedback on music, winter market incentive program, and product mix modifications.

*Additional resources needed:* volunteers to conduct surveys, local musicians, funding for winter incentive program ($1,000 per year).

*Assessment of CFM capacity to achieve goals*
The CFM is fully capable of achieving the goals outlined above. Despite limited staff capacity, the CFM will leverage its existing community partners and resources to successfully achieve the desired outcomes.

**Marketing Strategy**
The CFM’s current marketing plan (described in the “About the Carrboro Farmers’ Market” section) is effective at keeping current CFM customers informed and engaged with Market events and product availability. However, only 25% of CFM customers shop at the CFM weekly. Fresh, new messaging—combined with many of the goals in the Vision for the Future section—will keep existing customers interested and motivate them to spend a larger percent of their food dollars at the CFM. The CFM could also partner with the NC 10% Campaign to procure and distribute marketing materials encouraging CFM customers to spend 10% of their food dollars locally (and preferably at the CFM).

However, the current strategy could be modified to focus more on building stronger brand recognition and brand loyalty through increased focus on “logo trade” with local restaurants, co-branding with local businesses, and by promoting the outreach activities described in the “Vision for the Future” section.

In addition, the current marketing plan does not actively focus on the four target demographic groups described in the “Target Customer Demographics” section. A marketing strategy targeted to these four
groups that includes tailored messaging and communications channels that align with the groups’ different access to, and use of, technology, will help increase brand awareness and advertise the improvements and incentives that will be implemented over the next five years. Reaching each of the four target demographic groups will require using different marketing techniques. Suggestions for each group are provided below, but more in-depth market research is needed before pursuing any of these strategies to ensure messages and communication channels are relevant and appropriate.

- **College undergraduate and graduate students:** The CFM can partner with FLO to raise awareness among UNC students about the products and educational events offered by the CFM. UNC students are expert technology users, so the CFM will explore ways to maximize Facebook and Twitter, and may even consider using technology such as a CFM smartphone app. Messaging to students should focus on how shopping at the CFM is a way to engage in local, sustainable food activism, how product pricing compares to other food retail venues, availability of incentive programs for college students, and how to use or prepare CFM products to make quick and easy recipes in a variety of living situations such as dormitories, Greek housing, and tiny student kitchens.

- **Older adults:** Older adults on average tend to have much lower access to, and use of, technology than younger demographic groups. Focusing marketing efforts through traditional media sources such as newspaper, radio, and TV ads, as well as through community partners such as the Orange County Seymour Center and places of worship will reach older adults both at home and in social settings. Messaging should focus on the social aspect of the CFM, availability of mobility devices, ability to use SNAP and SFMNP benefits, availability of transportation options, how product pricing compares to other food retail venues, and availability of products used in culturally traditional recipes. In addition, partnering with the Seymour Center and other community organizations that work with older adults to conduct specific marketing around eligibility and enrollment in federal nutrition assistance programs may help increase participation in these programs and increase the number of older adults that can use those benefits at the CFM.

- **Low-income community members:** Further assessment is needed of the specific marketing techniques that will best reach low-income community members in Carrboro and Chapel Hill. Appropriate techniques will likely vary by age, with younger individuals using more technology such as smartphones, Facebook, and Twitter, and older individuals using more traditional media channels. Messaging should focus on ability to use federal nutrition assistance benefits at the CFM, availability of incentive programs, how product pricing compares to other food retail venues, and the value of purchasing local. A successful marketing campaign in 2010 that targeted community members participating in SNAP included additional components such as bus ads and distribution of flyers to community partners that work with low-income populations.

- **Ethnically diverse community members:** Targeting the two largest ethnic minority groups in the county (African American and Hispanic/Latino) will help focus marketing efforts and resources. Using a combination of marketing methods will maximize reach. Effective marketing techniques may include posters/flyers (in both English and Spanish) in neighborhoods with a high percent of African American and Latino members, bus advertisements, radio ads or interviews on Spanish local radio stations. Specific messaging should focus on availability of culturally relevant products and highlight changes to the Market environment that make it more appealing to diverse customers, including Spanish signage and availability of a translator at the Information Booth, and how product pricing compares to other food retail venues.
Deciding which marketing techniques to use will involve weighing the potential reach against cost. Print advertising and radio/TV spots can be quite expensive. For example, a quarter-page ad in IndyWeek costs $1,400, equivalent to the CFM’s entire marketing budget. Social media is free, and the CFM website and e-newsletters are very low-cost beyond costs to maintain the website domain and pay for the e-news software. Printed flyers and other materials to distribute can also be quite expensive, but the CFM has a long history of partnering with local printing businesses that make in-kind contributions to offset print costs.

**Marketing Outcomes**

By implementing the marketing activities described above, the CFM expects a significant increase in patronage by members of the four target groups. At the end of Year 1, the Market expects a 10% increase from 2012 in the number of college students, older adults, low-income customers, and diverse customers shopping at the Market. At the end of Year 3 the Market expects a 25% increase from baseline (2012) in patronage among each of these groups, and in Year 5 a 50% increase. In addition, the Market expects an overall 10% increase in customer volume.

Tactics to implement the marketing strategy will include partnering with UNC marketing students or the UNC Marketing Club to conduct surveys or focus groups with each of the four target groups to determine optimal messaging and communications methods, as well as using a UNC marketing student intern to help design and implement the marketing strategy. Resources required include CFM staff time, a UNC marketing intern, partnerships with local organizations and agencies serving the target populations, materials, and printing services.

**Projected Financials**

As already described, additional financial resources beyond those currently available are needed to achieve the five priorities described above. The CFM operates on a small budget that must meet a large array of expenses, and with its current revenue streams cannot support the additional activities. The budget in Appendix H outlines the budget for 2011 and 2012, as well as the projected financials for Years 1, 3, and 5.

**Income**

**Annual Fees**: Projected revenue from annual fees assumes the CFM will not be able to expand the number of members since it has reached physical capacity. Annual fees in 2012 were $50 per vendor x 70 active, paying members = $3,500 per year. Projected revenue from annual fees for Years 1, 3, and 5 will assume a constant number of members.

**Application Fees**: Application fees are $30 per applicant. The CFM is not accepting any applications for the 2013 market season. Application fees for Years 3 and 5 are dependent on member turnover, but will likely be accepted at a rate similar to the 2012 season, or approximately 12 applications per year (12 x $30 = $360 per year for Years 3 and 5).

**Saturday Market Fee**: Stall fees are a flat fee per farm unit and not based on % of total farm sales. In 2012 the Saturday market fee for peak season (summer months) was increased from $14 to $17 for a single space, from $35 to $50 for a double space, and from $45 to $70 for a triple space. Saturday market fees during the winter months were increased to $14 for a single space and $35 for a double space. Projected revenue from Saturday Market fees assumes a 5% increase in fees in each of Years 3 ($53,403) and 5 ($56,073).
**Wednesday Market Fee:** In 2012 the Wednesday market fee was increased from $7 to $10 per market. Projected revenue from Wednesday Market fees assumes a 5% increase in fees in each of Years 3 ($7,770) and 5 ($8,158), and assumes no growth in the number of vendors selling at the Wednesday market.

**Holiday Market Fee:** In 2012, the fees for mid-week, pre-holiday markets are $10. Projected revenue from holiday markets will be similar to the 2011 market season ($400 total) and will assume no growth in the number of vendors selling at holiday markets.

**Apparel Sales:** The CFM sells T-shirts for $20 (adults) or $17 (infant/child), as well as reusable shopping bags for $15. Assuming 10% growth in T-shirt sales annually (growth rate calculated from average between 2011 and 2012 budgeted, and 2012 budgeted and 2012 actual revenue), projected revenues from apparel sales for Years 1, 3, and 5 are $13,750, $16,640, and $20,130 respectively.

**ATM Income:** The CFM leverages a $2.25 transaction fee for each transaction through the market ATM. In 2011 the ATM was first installed in July, and generated $5,700.25 ( $950 per month). In 2012, the ATM was in operation continuously until the end of August ($1,125 per month). Assuming a permanent ATM can be installed by March 2013 that will generate the same level of transaction fees, projected revenue for Year 1 will be $10,125 ($1,125 x 9 months), and $13,500 for Years 3 and 5.

**EBT Income:** Refers to a positive balance of money flowing through the EBT machine. When more money has been distributed in SNAP than has been distributed to farmers, there will be a positive EBT balance which is categorized as “EBT income.” Projections assume a zero balance for Years 1, 3, and 5.

**Dividend Income:** Projected income from dividends will be similar to 2012 for Years 1, 3, and 5 ($125 per year).

**Fundraising:** Includes all revenue generated by the non-profit arm, which may include fundraising events such as the 2012 benefit dinner, which raised $6,000 in 2012 to be used for the in-field repair. Fundraising events in each of Years 1 and 3 are projected to raise an additional $6,000 per year for in-field repairs. The non-profit arm is expected to be fully operational and raise a total of $10,000 in Year 3, and raise a total of $25,000 in Year 5.

**Sponsorships:** In 2012 sponsorship revenue was $2,000. Projected revenue from sponsorships for Years 1 is $3,000 based on staff projections. Projected revenue for Years 3 and 5 is based on CFM Market Manager goals: Year 3 = $5,000; Year 5 = $6,000.

**UNC Market Match:** This special sponsorship funds the CFM’s Market Match incentive program. Projected revenue assumes UNC will continue to fund the program over the next five years, including a 10% annual increase after Year 1 (Year 1 = $5,000; Year 3 = $5,000 x 1.21= $6,050; Year 3 = $6,050 x 1.21 = $7,320.50).

**Fines:** The CFM does not anticipate generating revenue from vendor fines over the next five years.

**Canning Grant Income:** The CFM will not be applying for canning grants in future years.

**Cost of Goods Sold**
In 2012, the CFM purchased 2,500 bumper stickers in addition to annual apparel purchases, which increased 2012 cost of goods sold. Projected costs for goods sold for Years 1, 3, and 5 are based on assuming purchase of a constant volume of goods (805 T-shirts and 144 bags per year) plus a 3.0% annual increase from 2011 levels (based on Bureau of Labor Statistics November 2012 consumer price index increases for apparel). Year 1 = 10,328.95 x 1.0009 = $10,338; Year 3 = $10,338 x 1.0009 = $10,348; Year 5 = $10,348 x 1.0009 = $10,357).

**Expenses**

**ATM Expense:** Includes all costs associated with installing and maintaining the permanent ATM, including permitting, wiring, the machine itself, and ongoing stocking. Projected expenses include the cost of a new, permanent ATM that will be cost-shared with the Town of Carrboro ($3,000/2 = $1,500) in Year 1, plus annual maintenance costs that assume 10% annual increase from 2012 levels (Year 1 = $1,000 x 1.1 = $1,100; Year 3 = $1,100 x 1.21 = $1,331; Year 5 = $1,331 x 1.21 = $1,610).

**Advertising & Marketing:** The 2012 marketing budget includes full-page ads in the Carolina Farm Stewardship Association’s annual Farm Tour booklet and the Southern SAWG annual conference booklet, as well as other general marketing and advertising costs. Projected expenses assume these current marketing efforts will continue, and also include the cost of purchasing newspaper ads ($2,000 per year). Other marketing activities (PSAs on local public radio and TV stations, press releases, and social media) are assumed to have no costs. Print material costs are included in the Printing line item.

**Bank Service Charges:** Projected expenses assume a 10% annual increase from 2012.

**Canning Grant:** The CFM will not be applying for canning grants after 2012 so there will be no related expenses.

**Capital Improvements:** To be completed in Year 3, with yearly payments made to the Town of Carrboro in Years 2, 3, and 4. Includes: in-field repair (estimated at $35,000 to be cost-shared with the Town of Carrboro: $35,000/2 = $17,500; yearly payments in Years 2, 3, and 4 of $5,833 per year); seating (6 park benches x $400/bench = $2,400); roll-down pavilion sides ($8,000); Total capital improvement costs = $27,900 ($9,300 per year in each of years 2, 3, and 4). Annual maintenance costs in subsequent years are anticipated to be $1,000 in Year 5 with a 10% annual increase thereafter.

**Other On-site Improvements:** To be completed in Year 3. Includes: mobility devices (50 wheeled shopping carts x $20 per cart = $1000), portable space heaters (10 heaters x $150/heater = $1,500); and Spanish signage ($500). Total on-site improvement costs for Year 3 = $3,000. Annual maintenance costs in subsequent years are anticipated to be $250 in Year 5 with a 10% annual increase thereafter.

**Cell Phone:** Costs of cell phone service, equipment, and maintenance for the CFM Market Manager. Assumes 2% annual cost increase based on increases from 2011 to 2012. Year 1 = $1,193; Year 3 = $1,193 x 1.02 = $1,241; Year 5 = $1,241 x 1.04).

**Dues and Subscriptions:** Cost for the CFM to maintain membership with the Farmers’ Market Coalition and other professional membership associations. Project expenses assume constant dues for the next five years.

**EBT Funds to Farmers:** Refers to the amount of EBT dollars that have been distributed to farmers. Projections assume a zero balance for Years 1, 3, and 5.
**EBT Staff:** Compensation to the Food Outreach Coordinator (0.25 FTE/10 hours per week). By Year 3 this position will be combined with the Assistant Manager position so funding for the EBT Staff will be shifted to the Payroll line item.

**Fringe Benefits:** Beginning in Year 3, CFM staff will also begin receiving fringe benefits estimated at 10% of their salary. Year 1: $44,000*0.10 = $7,480; Year 3 = $51,358*0.10 = $8,730; Year 5 = $52,231* 0.10 = $8,879.

**Incentive Programs:** Includes funds for all incentive programs for target groups. Projected expenses assume the UNC Market Match sponsorship funds will be the sole source of incentive program funding, and the entirety of those funds will be used for incentives.

**Insurance:** Includes all business, liability, and other insurance legally required by the state of North Carolina. Projected expenses assume 10% annual cost increase from 2012 levels. Year 1 = $1,250*1.1 = $1,375; Year 3 = $1,375*1.21 = $1,664; Year 5 = $1,664 * 1.21 = $2,013.

**Non-Profit Arm Expenses:** Includes any expenses involved with the initial start-up of the non-profit arm, and assuming the non-profit arm will be able to sustain itself once it is fully implemented. Projected expenses include costs of a consultant to guide the process and any application fees or other related costs.

**Office Supplies:** Projected expenses assume no increase in need for office supplies over the next five years from 2012 levels.

**Payroll:** Includes salary for the CFM Market Manager (1 FTE/40 hours per week) and the Assistant Manager (0.25 FTE/10 hours per week). Beginning in Year 3, the Food Outreach Coordinator position will be folded into the Assistant Manager’s responsibilities, and the Assistant Manager position will be increased to 0.5 FTE/20 hours per week. Beginning in Year 3, staff will receive an annual cost-of-living increase of 1.7%, consistent with recent federal annual social security cost of living increases. Year 1=$44,000 total payroll (1.25 FTE); Year 3: [$44,000+$6,500 (Food Outreach Coordinator position funding)]*1.017 = $51,358; Year 5 = $51,358*1.017=$52,231

**Payroll Taxes:** Estimated at 10% of total payroll each year. Year 1 = $44,000*0.10 = $4,400; Year 3 = $51,358* 0.10 = $5,139; Year 5 = $52,231* 0.10 = $5,223.

**Postage:** Beginning in Year 1, postage will increase by 10% per year to account for increased postage for marketing, as well as increased postage rates. Year 1 = $150*1.10 = $165; Year 3 = $165 *1.21 = $200; Year 5 = $200*1.21 = $242

**Printing:** Projected printing expenses assume $100 additional printing costs on top of the 2012 budgeted amount ($1,400) for marketing flyers and posters. Years 3 and 5 also assume a 10% annual increase to account for increased printing costs. Year 1 = $1,400 + $100 = $1,500; Year 3 = $1,500*1.21 = $1,815; Year 5 = $1,815*1.21 = $2,196.

**Professional Fees:** Includes fees to the CFM accountant. Projected expenses assume a 10% annual increase. Year 1 = $4,000*1.1 = $4,400; Year 3 = $4,400 *1.21 = $5,324; Year 5 = $5,324 * 1.21 = $6,442.
Rent: Includes rent paid to the Town of Carrboro for use of the Carrboro Town Commons. Assumes no annual increase.

Repairs and Maintenance: Includes services required to maintain existing CFM equipment and supplies. Does NOT include costs associated with maintaining new infrastructure/on-site improvements described above. Assumes a 10% annual increase in repair/labor costs. Year 1 = $100; Year 3 = $100*1.21; Year 5 = $121*1.21 = $146.

Sales Tax: Tax associated with CFM purchases of goods. Projected Expenses assume 10% annual increase from 2012 levels. Year 1 = $1,200*1.1 = $1,320; Year 3 = $1,320 * 1.21 = $1,597; Year 5 = $1,597 * 1.21 = $1,932.

Special Events: Includes budget for Tomato Day ($600) and various smaller events such as the September chef’s event and Strawberry Day. Projected expenses assume a per-event budget of $50. Year 1 = $1,400+($50*1 event) = $1,450; Year 3 = $1,400 + ($50*2 events) = $1,500; Year 5 = $1,400 + ($50*6 events)=$1,700.

Substitute Managers/Part-Time Staff: Projected expenses assume no increase in the need for substitute staff, nor an increase in pay rates.

Taxes: Includes miscellaneous taxes not already included in payroll or sales taxes. Projected expenses assume no significant changes in taxing code or rates.

Traffic Officers: Includes costs associated with use of Town of Carrboro law enforcement services during CFM events. Projected expenses assume a 10% annual cost increase from 2012 levels. Year 1 = $1,400 * 1.1 = $1,540; Year 3 = $1,540 * 1.21 = $1,863; Year 5 = $1,863* 1.21 = $2,254.

Transportation: Includes costs associated with contracting with Orange County or private shuttle services to provide special service to the CFM during market hours. Per-market costs are estimated at $199 (includes: driver time (5 hrs @ $21.20/hr = $106); after-hours dispatcher (2 hrs* $22/hr = $44); mileage (100i *$0.49/mi=$49). Year 3 and 5= 1 new route for 1 market per week year round = $199*52 weeks = $10,348. Projected expenses assume cost-sharing with Orange County ($10.348/2 = $5,174 per year in Years 3 and 5).

Website: Includes cost of maintaining website and contract for web designer. Projected expenses assume 10% annual cost increase from 2012 levels. Year 1 = $1,350*1.1 = $1,485; Year 3 = $1,485*1.21 = $1,797; Year 5 = $1,797* 1.21 = $2,174.

Risks and Challenges
A number of risks and challenges exist in accomplishing the CFM’s five priority goals over the next five years. These may threaten the Market’s ability to increase vendor sales and engage in more community outreach:

- Revenue: The Market may encounter difficulty in securing sponsorships, encouraging ATM use at an adequate level, and establishing a non-profit arm that generates adequate revenue. Pursuing these revenue streams requires significant staff time which may not always be as available as necessary. Further, CFM vendors may not approve fee increases in Years 3 and 5,
and apparel sales may not increase at anticipated rates. All of these possibilities will result in less revenue to accomplish the priority goals.

- **Marketing**: Marketing to target groups may not result in the anticipated increase in the percent of customers from the target groups shopping at the market.

- **Increased competition**: If another farmers’ market or direct sales program offering locally-produced products (such as a large CSA or Veggie Van-type program targeting the same demographics as CFM customers) began operating in the Carrboro-Chapel Hill community, competition for CFM customer dollars would likely increase.

- **Supplier challenges**: Vendors may experience poor weather conditions or other natural disasters that impact their supply of products to sell at market. They may also encounter their own financial challenges or other unforeseen circumstances that threaten their ability to sell at the Market.

- **Buyer challenges**: Short term barriers such as significant poor weather or long-term barriers such as another economic downturn may decrease patronage of the CFM. Economic issues may particularly affect members of the four target demographic groups.

Minimizing the impact of these challenges will require a commitment to ongoing, continued marketing and assessment of customer preferences to ensure the CFM is best meeting their needs and continuing to differentiate itself from alternative food retail outlets. It will also require flexibility and the ability of Market staff and the Board of Directors to make relatively quick decisions about topics such as use of technology, experimenting with product mix and educational programming, partnerships, and financing strategies to maintain the CFM’s competitive advantage and allow it to remain an innovative leader among Triangle area farmers’ markets.

**Summary**

The CFM is committed to its mission of creating and sustaining a vibrant and innovative market that supports local farmers and artisans, while extending the benefits of local food to the greater community. Accomplishing the five key priorities outlined above over the next five years will help the Market solve the problem of having reached physical and financial capacity. The CFM will address these priorities while also working to increase diversity of the CFM customer base by targeting four demographic groups that are currently underrepresented in the CFM customer demographic profile. At the end of five years, CFM vendors will see increased sales, and CFM shoppers and the community as a whole will be better informed and have better access to fresh, healthy food. All this work will be funded through a combination of revenue streams that include vendor fees, apparel sales, sponsorships, and other revenue sources generated through a non-profit arm of the CFM. The projected cost to achieve these priorities is $90,000-$111,000 per year over the next five years. While risks and challenges exist to accomplishing these priorities, the CFM is committed to its work and is optimistic that through partnerships and collaboration with its vendors, customers, and the community, it will see its vision come to fruition.
Appendices

Appendix A: CFM Customer Race/Ethnicity

Appendix B: CFM Customer Household Income
ARTICLE V
DUTIES OF THE BOARD OF DIRECTORS

Section 1: Management of Business: The Board of Directors shall have general supervision and control of the affairs of the corporation and shall make all rules and regulations not inconsistent with the law of the state of North Carolina or with these by-laws for the management of the business and guidance of the members, employees, and agents of the corporation. This shall include a power to levy a fee for any services provided by the corporation for its members, provided the exact fees to be levied, if any, are approved by a majority vote of the active voting membership at any regular or special membership meeting before they can go into effect. The Board of Directors shall have the authority to promulgate an ethical code of conduct to regulate the activities of members at events sponsored by the corporation or under the general auspices thereof. The Board of Directors shall require proper records to be kept of all business transactions.

Section 2: Employees: The Board of Directors shall have the power to employ or to authorize the employment of such employees as may be deemed necessary and to fix their compensation at a fair market value or a reasonable amount for the services rendered.

Section 3: Bonds and Insurance: The Board of Directors may require officers, agents, and employees charged by the corporation with responsibility for the custody of any of its funds or negotiable instruments to give adequate bonds. Such bonds, unless cash security is given, shall be furnished by a responsible bonding company and approved by the Board of Directors, and the cost thereof shall be paid by the corporation. The Board of Directors shall provide for the adequate insurance of the property of the association, or property which may be in possession of the association, or stored by it, and not otherwise adequately insured. In addition, the Board of Directors shall provide adequate insurance covering liability for accidents to all employees and the public.

Section 4: Checks and Drafts: All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by the Treasurer, provided however that the Board of Directors may authorize any active member to sign any or all such checks, drafts, etc., on behalf of the corporation. Such authority may be general or confined to specific instances.

Section 5: Contracts: The Board of Directors may authorize any officer or employee of the corporation to execute and deliver any instrument in the name and on behalf of the corporation, and such activity may be general or confined to specific instances.

Section 6: Gifts: The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purpose or for any special purpose of the corporation.

Section 7: Audits: From time to time and least once a year, the Board of Directors shall review
the financial records of the corporation. The Treasurer shall deliver an annual written statement on the financial affairs. At least once each year the Board of Directors may secure the services of a competent and disinterested public auditor or accountant and render a report in writing thereon, which shall be submitted to the membership of the corporation.

**Section 8: Agreements with Members:** The Board of Directors shall have the power to carry out all and any agreements of the corporation with members and others in every way advantageous to the corporation, representing the members and others collectively.

**Section 9: Depository of Funds:** The Board of Directors shall designate a federally insured bank as the depository for the funds of the corporation.

**Section 10: Memberships:** The Board of Directors shall elect new members to the corporation, terminate memberships, and reinstate memberships as stated in Article II of these by-laws.

**Section 11: Observance of the Charter and by-Laws:** The Board of Directors shall have the power to enforce the observance by all members of all provisions of the charter and by-laws.
Appendix D: Carrboro Farmers’ Market Staff Position Descriptions

Market Manager

Objective  To run a model operation that continues to grow while making a positive impact on our vendors and our community.

Responsibilities:
1) Manage the Wednesday and Saturday Carrboro markets
   a. Manager on duty during Market hours
   b. Set-up and breakdown
   c. Collect fees and keep attendance.
   d. Provide customer service and vendor support: pass get-well/condolence cards
   e. Enforce Market rules

2) Implement WIC/SFMNP program: coordinate Market’s participation
   a. Oversee EBT program in relation to broader Market needs/direction

3) Manage special Markets
4) Site Management: make sure grounds are in working order and contact town and/or Southern Village for any maintenance, bring maintenance expenses before the Board; shed inventory
5) Coordinate Volunteers: annual volunteer meeting, info booth, events
6) Coordinate all Market signs
7) Order Market merchandise
8) Produce vendor mail as needed: to include notes from board meetings and manager updates
9) Be the Market liaison for the Community
   a. Actively work with the town to advocate for the Market and to show we want to be good neighbors.
   b. Deepen relationships with our sister organizations and the business community.

10) Provide office space and some office equipment: filing and purchasing of office supplies
11) Be Market contact person: phone and email
12) Fundraise and grant write
13) Attend relevant conferences
14) Produce weekly e-news for customers
15) Process vendor applications
16) Prepare Annual Meeting
17) Prepare Board meetings
   a. Financial reports
   b. Set agenda
   c. Keep track of checklist and do the footwork
   d. Research agenda/checklist items
   e. Prepare Board meeting packets

18) Special Events
   a. Plan Special Events and Cooking Demos for all three Markets
   b. Coordinate Recipe of the Week

19) Public Relations for the Market
   a. Press releases and packets, newspaper calendars, any media opportunities; make sure information about our Market in all media forms is correct
   b. Make a marketing plan for both Southern Village and Carrboro Markets
   c. Oversee our website
   d. Keep an eye on National opportunities
e. Make public appearances for the Market
20) Perform other duties as assigned by Board of Directors

Assistant Manager
This is a part-time year-round staff position supporting the manager in the day-to-day operation of the Carrboro Farmers’ Market.

The weekly tasks will vary. The primary responsibilities of the assistant manager will be to support and extend the reach of Market Manager’s position, particularly focusing on marketing through press releases, special events, and volunteer coordinating. The assistant manager will report to the Market Manager. This will include some on-site presence for special events, as well as off-site work during non-market hours.

The position is part-time, non-exempt, position scoped at 10 hours per week for a rate of $15 per hour. The total number of hours worked per year may not exceed 510 hours. No overtime is allowed in this position.

Duties can include, but are not limited to:
• Work with the manager to create advertising/press releases for Market events, activities, and merchandize.
• Coordinate with the Market Manager to organize and execute special events for the Wednesday and/or Saturday Market.
  • Tasks may include some of the following: making posters, publicity plans and outreach for Market activities, update Market info and materials at Market and electronically, and coordinate volunteers.
• Assist with office tasks, weekly recipes, communication correspondence as assigned by the Market Manager.
• Act as substitute for the Manager during Market hours in the Manager’s absence.

Skills and Experience
• Candidates must be detail-oriented and highly organized.
• Candidates must be willing to work flexible hours.
• Candidates must be proficient with Microsoft Office, database management, and Google Documents
• Candidates must be able to demonstrate a passion for local food, farming and a basic understanding of local food economies.
• Experience in customer-facing areas including marketing, public relations, special events management and/or related fields is desirable.
• Diplomacy, high energy and great people skills are a must.
• Some physical work is required.

Food Outreach Coordinator
The Carrboro Farmers’ Market Food Outreach Coordinator oversees day-to-day operations of the CFM’s food assistance programs. The position is 10 hours per week and reports to the CFM Market Manager.
Responsibilities include:
  1) Oversee day-to-day activities related to administration of the CFM SNAP/EBT program, including:
      a. Collecting tokens from farmers (currently 1 Wed and 1 Sat per month)
b. Processing tokens and communicating with CFM accountant to ensure timely and accurate payments to farmers

c. Communicating with Leaflight to submit porters for remaining outstanding Leaflight tokens

2) Supervise CFM EBT intern

   a. Develop and post internship descriptions; screen and interview applicants; work with MM to select interns on a semester basis

   b. Orient new interns to the EBT program, booth, etc; introduce the intern to the vendors (this was specifically requested by the interns)

   c. Conduct periodic feedback survey with the intern to ensure they are gaining something from the internship

3) Collect and maintain data/records in EBT sales and customer

   a. Work with the market manager to determine data needs and develop appropriate data collection methods (surveys, EBT customer receipts, etc)

   b. Work with the CFM EBT intern to enter EBT data into spreadsheet

4) Report regularly to the CFM Board with EBT numbers, updates on strategies to increase SNAP/WIC/SFMNP participation, etc. (bimonthly updates seem to work well so far)

5) Keep track of any state- or USDA-level reporting requirements

6) Serve as liaison to community- and state-level partners (coordinate with MM)

7) Work with the MM and community partners to implement marketing/outreach activities

8) Work with MM and community partners to identify and apply for grants and other funding opportunities

9) Work with MM and community partners to conduct strategic planning activities

10) Other activities and responsibilities as necessary and assigned
Appendix E: Map of Farmers’ Markets within 50-mile radius of the CFM

(The CFM is identified by the large yellow dot)

Appendix F: Map of SNAP retailers within five-mile radius of the CFM

(The CFM is identified by the red dot)
## Appendix G: Carrboro Farmers’ Market Logic Model

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<th>Inputs</th>
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<td>CFM vendors</td>
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<tr>
<td>CFM consultants</td>
</tr>
<tr>
<td>CFM customers</td>
</tr>
<tr>
<td>Target customer groups</td>
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</tr>
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</tr>
<tr>
<td>Orange County Public Transportation</td>
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<td>Community transit partners</td>
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<tr>
<td>Community sponsors</td>
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<td>Community food access and education partners</td>
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<td>Volunteers</td>
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<td>Funding</td>
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### Activities

**Revenue Stream Diversity**
- Formalize and implement sponsorship program
- Establish non-profit arm of the CFM
- Install permanent ATM

**Infrastructure Improvements**
- Improve transit service to the CFM
- Repair the in-field at the Carrboro Town Commons
- Implement additional on-site improvements

**CFM Shopping Experience**
- Allow live music regularly
- Modify CFM product mix
- Implement winter market incentives

**Educational Events**
- Identify and prioritize options for educational events
- Implement on-site educational events

**Community Outreach and Involvement**
- Identify and engage community partners
- Implement changes to food assistance programs to increase ease of use
- Implement incentive programs for target community members

**Marketing**
- Continue current marketing strategy
- Implement marketing plan focusing on four key target groups

### Outputs

**Revenue Stream Diversity**
- # and $ of sponsorships secured
- Non-profit arm of the CFM established
- Permanent on-site ATM installed
- SEED evaluation report

**Infrastructure Improvements**
- # Chapel Hill Transit bus routes, Orange County shuttles, and private shuttles serving the CFM during market hours
- # low-access communities served by bus and shuttle routes
- Repaired in-field
- # additional on-site improvements made

**CFM Shopping Experience**
- # musicians performing at the CFM annually
- # farmers that modify product mix
- # winter market incentives distributed
- # customers reached by winter market incentive program

**Educational Events**
- # on-site educational events held
- # participants in on-site educational events

**Community Outreach and Involvement**
- # and type of community partners engaged
- # and type of changes to food assistance programs implemented
- $ incentives distributed and redeemed
- # members of target groups reached

**Marketing**
- # and type of marketing activities
- # community members reached

### Outcomes

**Short Term**
- Increased, sustainable revenue for the CFM
  - Increased capacity of the CFM to support local farmers’ and artisans’ businesses
  - Improved transportation options to the CFM
  - Improvements to physical space at the CFM

**Intermediate**
- Increased appeal of the CFM environment across diverse customer groups
- Increased sales for CFM vendors
  - Increased # of existing CFM customers and target community groups that shop at the CFM
  - Improved health of CFM customers across all demographic and socioeconomic groups

**Longer Term**
- Improved quality of life among local farmers
  - Strengthened, sustainable local food economy
  - Preservation of local farmland

**Unintended Consequences**
- Increased awareness in the Chapel Hill-Carrboro community and across the Triangle about the CFM and its competitive advantage over other area farmers’ markets
- Increased knowledge among CFM customers and target community groups about local food, local farms, and nutrition
- Increased access to fresh, health, local food
### Appendix H: Budget and Financial Projections

#### Ordinary Income/Expense

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<th>2012</th>
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|                           |         |         |        |        |        |
| **Cost of Goods Sold**    |         |         |        |        |        |
| Apparel Costs             | 10,328.95| 12,000.00| 10,338.00| 10,348.00| 10,357.00|
| **Total COGS**            | 10,328.95| 12,000.00| 10,338.00| 10,348.00| 10,357.00|

**Gross Profit**

|         | 64,849.74| 89,735.00| 89,822.00| 106,400.00| 130,209.50|

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<td>1,400.00</td>
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<td>1,815.00</td>
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<td>Professional Fees</td>
<td>2,720.00</td>
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<td>4,400.00</td>
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<td>6,442.00</td>
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<td>Rent</td>
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<td>Repairs &amp; Maintenance</td>
<td>158.00</td>
<td>100.00</td>
<td>100.00</td>
<td>121.00</td>
<td>146.00</td>
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<td>Sales Tax</td>
<td>704.57</td>
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<td>1,320.00</td>
<td>2,597.00</td>
<td>1,932.00</td>
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<td>Special Events</td>
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<td>1,450.00</td>
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<td>1,700.00</td>
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<td>Substitute Mgrs/PT Staff</td>
<td>97.50</td>
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<td>Taxes</td>
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<tr>
<td>Traffic Officers</td>
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<td>1,540.00</td>
<td>1,863.00</td>
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<td>Transportation</td>
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<td>Website</td>
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<td>1,350.00</td>
<td>1,485.00</td>
<td>1,797.00</td>
<td>2,174.00</td>
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<tr>
<td><strong>Total Expense</strong></td>
<td>63,418.54</td>
<td>89,585.00</td>
<td>90,528.00</td>
<td>113,217.35</td>
<td>111,225.63</td>
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<tr>
<td><strong>Net Ordinary Income</strong></td>
<td>1,431.20</td>
<td>150.00</td>
<td>(706.00)</td>
<td>(6,817.35)</td>
<td>18,983.87</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>1,431.20</td>
<td>150.00</td>
<td>(706.00)</td>
<td>(6,817.35)</td>
<td>18,983.87</td>
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