



Farmers' Marketing Co-operatives & Collectives:

A Guide for Farmers' Market Managers

The BC Association of Farmers' Markets (BCAFM), in collaboration with Vancity and a team of co-operative experts, have created this guide to assist farmers' market managers in vetting and assessing farmers' marketing co-operatives and farmers' collectives who wish to jointly sell and market their products at BCAFM member farmers' markets. Although this guide specifically addresses farmers, the information is also relevant to other types of farmers' market vendors, such as small-scale food processors or artisans that are jointly selling and marketing their products at BCAFM member farmers' markets using the marketing co-operative or collective model.

This guide is also affiliated with a document entitled:

Farmers' Marketing Co-operatives: A Guide to Starting a Farmers' Marketing Co-op

The BCAFM's goal in undertaking this initiative is to illustrate alternative vendor selling arrangements for farmers who sell at farmers' markets with the aim to:

1. Increase the variety and abundance of BC farm products available for sale at BC farmers' markets.
2. Provide a practical and alternative vendor selling arrangement for producers to jointly sell and market their products together.
3. Provide an acceptable alternative solution to address the issue of reselling. Reselling is not allowed at BCAFM member farmers' markets. Ensuring that customers and the general public have trust in the integrity and transparency of BCAFM member farmers' markets is critical.
4. Reduce fatigue for those farmers who sell at multiple farmers' markets and other sales channels by offering an alternative joint selling and marketing arrangement such as co-operatives or collectives.

What is the difference between a Co-operative, a Collective and a Partnership?

Co-operatives

- Many people work together in the spirit of cooperation to accomplish various goals, however that does not make them a formal co-operative. A co-operative is a formal, legal business structure incorporated under the Co-operatives Act of BC.
- A small group of farmers may choose to formalize into a farmers' co-operative for the purposes of jointly selling and marketing their products collectively at a farmers' market or

elsewhere. As a legally incorporated entity, the farmers in a formal farmers' co-op would be jointly selling and marketing their products under the legal name of their co-op as one, single business.

- The members in a farmers' co-op can either be individual farmer members who are growing product together on a common property or individual, separately located, small to mid-size farms that jointly sell and market their products together or some mixture of both. See examples One and Two in the affiliated guide: Farmers' Marketing Co-operatives

Collectives

- Some farmers/farms may choose to work together collaboratively as an informal 'collective' or association for selling and marketing their products (or other purposes), however it is important to note that collectives are not formal, incorporated entities like co-operatives. Decision-making in collectives may vary widely as there is no single, defined approach as prescribed in a co-operative. In a collective, the individual identities of each farm member may be more prominently promoted than in a co-operative, which operates under the umbrella of a single business.

Partnerships

- A partnership may or may not be legally incorporated. If it is formally incorporated, it would be done so under the Business Corporation Act of BC.

	Co-operatives	Collectives	Partnership
Legal Status	Incorporated, formal business structure	Not incorporated, Informal	May or may not be formally incorporated
Purpose	Benefit for members of the co-op, i.e. profit or services	Profit and/or service	Profit of owners
Owners	Formal Members	Individual farmers/farms who are part of the collective	Business Partners
Control	Member decisions on the basis of one member, one vote – not on number of shares	As determined by those involved in the collective	By partners. Control may or may not be shared equally
Distribution of Profits	In a for-profit co-op, surplus may be	As determined by the parties involved in the	Allocated between partners. May or may

	distributed to members in proportion to their use of services	collective	not be equally distributed
Business Name Recognition	Focus on the co-op identity rather than individual members and their farms	Focus may be both name of collective and individual farms	Focus likely to be on the business name of the partners

Vetting Application of Potential FARMERS' MARKETING CO-OPERATIVE Vendors:

Recommendations to farmers' market managers in reviewing the vendor status of farmers' co-operatives participating at their markets:

1. Request a copy of the co-operative 'Memorandum of Association' document. This is one of the co-op's official incorporation documents and would be a standard legal document shared with funders or stakeholder partners to verify the co-operative's formal status as a business.
2. There is nothing inherent in the co-op model that would prevent a farmers' marketing co-operative from meeting the BCAFM vendor definition as described in Bylaw 1.1 (bb) or from meeting the 100% Grow, Raise, Wild Harvest, Bake, Make policy. However, a farmers' marketing co-op's members and product list would need to be screened, just like any other farm vendor's application must be vetted when applying to sell at the market. This serves to ensure the co-operative meets specific criteria regarding where and how produce is grown and processed, and ensures it is in line with both the BCAFM and individual farmers' market policies.
3. A farmers' marketing co-operative must be able to provide the market manager with a list of its members. The members may be individuals who work together on one farm or separate farms and farmers who sell their produce together and are owner-members of the co-op. In marketing its produce, a co-op may be more likely to focus on the co-operative's name and identity, rather than the individual members and their farms.
4. Ensuring that customers and the general public have trust in the integrity and transparency of BCAFM member farmers' markets is critical. A farmers' marketing co-operative must display proper booth signage at the market that indicates the name of the co-operative. It should also be prepared to share the names of the individual farms and their available products with customers and other vendors if asked.

Vetting Application of Potential FARMERS' COLLECTIVE Vendors:

Recommendations to farmers' market managers in reviewing the vendor status of farmers' collectives participating at their markets:

1. Request a written document from the farmers' collective specifying all active farm members who are jointly marketing and selling their products at that specific farmers' market.
2. There is nothing inherent in an informal farmers' collective that would prevent this entity from meeting the BCAFM vendor definition as described in Bylaw 1.1 (bb) or from meeting the 100% Grow, Raise, Wild Harvest, Bake, Make policy. However, a farmers' collective members and product list would need to be screened, just like any other farm vendor's application must be

vetted when applying to sell at the market. This serves to ensure the collective meets specific criteria regarding where and how produce is grown and processed, and ensures it is in line with both the BCAFM and individual farmers' market policies.

3. A farmers' collective must be able to provide the market manager with a list of its members, including up to date contact information for each farm.
5. Ensuring that customers and the general public have trust in the integrity and transparency of BCAFM member farmers' markets is critical. A farmers' collective must display proper booth signage at the market that indicates the name of each farm in the collective and its associated products available for sale at that specific market. It should also be prepared to share the names of the individual farms and their available products with customers and other vendors if asked.

BCAFM Farmers' Market Membership Policy

Farmer marketing co-operatives and farmer collectives selling at BCAFM member farmers' markets must adhere to the bylaws and policies of the BCAFM and individual member farmers' markets where they sell, as it pertains to them. For additional information on BCAFM bylaws and policy, please refer to the current BCAFM Farmers' Market Membership Policy regarding **Vendor Selling Arrangements** at bcfarmersmarket.org.

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