

Guide for Farmers and Food Producers Selling on the Exchange

Purpose

This document is provided as a reference to farmers and food producers interested in selling product through the Allen Market Place Exchange, our online wholesale market for local foods. Outlined are our organizational goals, requirements for participation, drop-off and delivery/pick up schedules, food safety and product quality standards. This is a young program, and this document may change from time to time to reflect updated practices, recommendations, or requirements as we learn how to best operate to reach our goals.

About the Allen Market Place Exchange

The Allen Market Place is Mid-Michigan's premier food hub, housing the Exchange, our online wholesale market for local foods, a licensed incubator kitchen, and a year round farmers market. The Allen Market Place (AMP) is an enterprise of the Allen Neighborhood Center, a non-profit organization working to strengthen mid-Michigan's local food system since 1999.

Our goal is to strengthen the relationship between our community and our farmers and food producers. We provide full transparency and traceability, sharing the stories of our farms and food producers. We source our products from local growers who utilize sustainable growing practices and stringent food safety measures, so we can ensure fresh, safe, and healthy foods for our community members that are also good for the environment. We are committed to our local farmers and food producers. We offer additional markets for their products, fair pricing, and a wide range of educational opportunities including ongoing technical assistance, marketing, and business development workshops.

Policies & Procedures

General Requirements

The Allen Market Place Exchange serves small and mid-sized growers and food producers in the mid-Michigan region. We accept locally grown and raised fruits, vegetables, grains, meat, dairy, eggs, baked goods, maple syrup, cider, etc. All products must be grown or produced by the organization selling it. All vendors must be up to date on any licensing required, and provide copies of relevant licenses to the AMP Exchange Manager.

Pricing

Farmers and food producers set their own prices. Each farmer/producer enters their inventory each week, along with a product description, photos, and any relevant information regarding production practices or special qualities their product may have. They then set the prices they wish to receive, along with a minimum order for delivery to the AMP.

There is an approximate 14% market fee subtracted from the sale price to help cover staffing and facilities to run the Allen Market Place Exchange. This 14% market is calculated automatically based on the net price set by the producer at the time of sale.

We encourage farmers and food producers to be mindful when setting prices, and set prices <u>lower than retail</u> to reflect the efficiencies of wholesale purchasing, while also considering actual costs of production and ensuring that you are in fact able to make a profit.

Vendors will want to track net sales with the order summary forms provided by the Exchange Manager at time of delivery. When there is a discrepancy in the amount delivered, there will be a corrected order summary provided the week following delivery. The complete seller financials are available for review anytime at the local orbit site. Please contact the Exchange Manager with any questions.

Orders & Deliveries

There are two order and delivery days per week. Orders are placed Monday for Thursday fulfillment, and Friday for Tuesday fulfillment. See schedule below for details.

Exchange Order & Delivery Schedule:

Sunday:

- Farmers/Producers update inventory by 8pm.
- AMP closed.

Monday:

- Exchange Manager sends 'Order Sheet' to buyers by 9:30am.
- Buyers place orders by 8pm for Thursday fulfillment.
- Farmers/Producers deliver Friday orders between 9am 3pm.

Tuesday:

- Buyer fulfillment (pickup or delivery) of orders placed Friday.
- Farmers/Producers deliver Monday orders between 9am-5pm.

Wednesday:

• Farmers/Producers deliver Monday orders between 9am- 3pm.

Thursday:

- Buyer fulfillment (pickup or delivery) of orders placed Monday.
- Farmers/Producers update inventory by 8pm.

Friday:

- Exchange Manager sends 'Order Sheet' to buyers by 9:30am.
- Buyers place orders by 8pm for Tuesday fulfillment.

Saturday:

AMP closed.

Inventory & Order Fulfillment

Farmers and food producers are responsible for keeping their inventory updated and current, to ensure that all orders placed can be filled. Inventory is updated by 8pm each Sunday and Thursday. Sellers can choose to make product available for one or both order days.

You will receive an email from Local Orbit when you receive an order. It is the seller's responsibility to check their inbox for orders on delivery days and deliver product to AMP during delivery days/hours. If for any reason the seller cannot fulfill their order, they must contact the Exchange Manager immediately. While we understand that unforeseen issues such as extreme weather events can occasionally occur, affecting product availability, unfulfilled orders reflect poorly on the entire program and can significantly disrupt sales. Sellers who repeatedly fail to fulfill orders may be removed from the Exchange. All deliveries must be checked in by Exchange Manager or other AMP staff.

Product Refusal & Crediting

The Exchange Manager and other AMP staff reserve the right to refuse any product that does not meet expected quality standards or is otherwise unsatisfactory within 24 hours of delivery. Farmers and food producers will have 24 hours to replace the product, or the AMP will issue a credit for the unsatisfactory product.

Billing & Payment

Farmers/Producers are paid weekly at 30 days net terms. Every Monday, payments will be calculated for each vendor based on the week ending the Sunday 30 days prior. Invoices shall be dated by order fulfillment date, not the date they were placed. Payments will be made via check and either mailed or picked up in person Wednesday from 2-5pm. Vendor payments are not dependent on buyer payments. The AMP assumes all responsibility for invoicing and collections from buyers.

Product Quality Standards

The Allen Market Place Exchange is committed to providing top-quality, healthy, and safe product for our customers. All product supplied to the AMP Exchange must meet all standards for quality, food safety, packaging, and labeling, as outlined below.

Food Safety

All producers selling to the AMP Exchange are expected to follow best practices to ensure food safety when handling, processing, and distributing products for the Exchange. Producers must follow all required state and federal food safety regulations and provide proof for any relevant licensing requirements, as well as ensure labeling standards are met per any applicable regulations.

The AMP Exchange does not require produce growers to obtain any specific food safety licenses, but we do encourage all produce farmers to have a comprehensive food safety plan. UVM's Practical Food Safety for Produce Farms is a good resource for farmers to begin developing a food safety plan. Farmers & producers can also refer to the USDA Good Agricultural Practices & Good Handling Practices Audit Verification Program to develop a meaningful food safety plan. For more information about GAP and GroupGAP, visit the USDA site at https://www.ams.usda.gov/services/auditing/groupgap

Food processing categories that are likely to fall under one or more state and federal regulatory agency include meat and poultry products, dairy, eggs, honey, maple syrup, bakery items, and all other processed food items. Producers may need licensing from the USDA, the Michigan Department of Agriculture and Rural Development (MDARD), or their County Health Department. The Exchange requires a copy of all relevant licensing to be kept on file.

Grading

We expect fresh produce to generally follow USDA guidelines for US no. 1 grade standards. Crops must be sold based on style (e.g. bunched vs. topped roots), size, firmness, and cleanliness. A specific crop must be of similar varietal characteristics, fresh and/or firm, fairly well shaped and colored, fairly clean, and free of rot, decay, and damage. For information on grading for specific crops, go to: http://www.ams.usda.gov/AMSv1.0/standards. "Seconds" quality crops may be sold only if they are clearly labeled as such, with an accurate description as to quality/faults. No moldy or otherwise spoiled product may be sold.

Packaging

All product must be packaged in an appropriate container. Acceptable containers include wax and fiberboard containers, plastic mesh and plastic vented bags, and bulk bins. Sturdy, stackable containers are preferred. All containers must be clean and clearly labeled.

Labeling

Each container delivered to the AMP Exchange must be correctly labeled. Minimally, labels must include farm/producer name, product (tomatoes, lettuce, whole chicken, etc.), packing date, and the count or net weight (12 count, 25 pounds, 6x1/2 lb. bags, etc.). Processed products must comply with all applicable food labeling laws.

Technical Assistance & Support

The Allen Market Place is dedicated to promoting the success of our local suppliers. We are available to provide technical assistance and individual support to our producers.

The Allen Market Place is connected to a diverse network of professionals and serves as a link to statewide resources for Mid-Michigan farmers and food producers. Additionally, we offer a range of support and services, including aggregation, distribution, sales, and marketing. We offer suppliers access to new markets and freely share feedback, requests, and needs from our purchasers as well as larger market trends and demand. This provides a valuable resource for our suppliers, helping them to increase production, develop new products, and meet current market demands for pricing, packaging, labeling, and food safety.