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Assessment of Competitiveness and Legal Framework of Farmer's Markets

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Studies about how farmers' markets and their vendors in the same proximity compete, as well the legal framework they operate in are very limited. Overall, this study investigates the extent to which perfect competition [which leads to economic efficiency (P=MC=Min ATC)] exists in local farmers' market environment together with its related requirements.

SPECIFIC STUDY

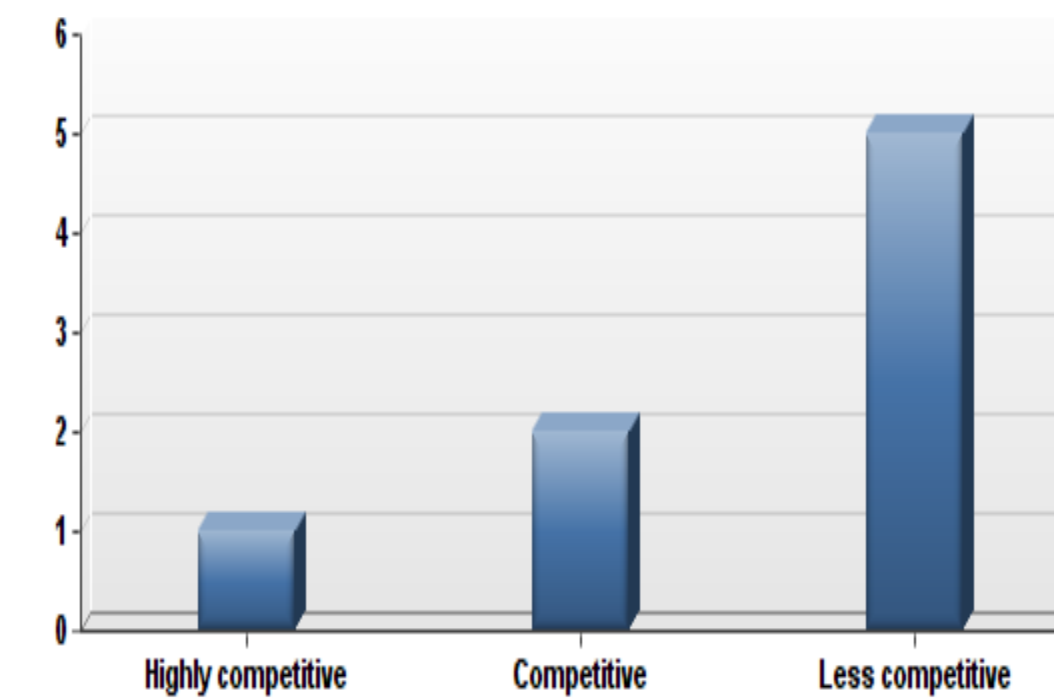
OBJECTIVES:

1. Analyze current competitiveness Situation among existing farmers' markets
2. Describe legal requirements farmers' markets and farmers/businesses who sell thereat have to comply with
3. Check whether new farmers markets could be created in the area
4. Identify marketing strategies and policy regulations that could promote competition among Farmers who participate in farmers' markets.

Variables	ologitFMEntry coeff	Odds ratio
FMLevelLaw_Difficulty		
Farm Size	0.00308 (0.00205)	1.003 (0.00206)
FM	-0.562 (1.561)	0.570 (0.889)
FarmStand	-2.734* (1.549)	0.0650* (0.101)
CSA	-2.136 (2.235)	0.118 (0.264)
LabelLocal	-5.445* (3.000)	0.00432* (0.0129)
AdvertSocio Med	7.382* (4.006)	1,607 (6,438)
FarmPrimary Occptn	-4.008 (3.007)	0.0182 (0.0547)
FarmExperience	0.201** (0.0821)	1.222** (0.100)
Educational level	-0.183 (0.498)	0.833 (0.415)
Male	-5.237* (3.070)	0.00532* (0.0163)
Constant cutl	-2.125 (3.059)	0.119 (0.366)

Standard errors in parenthesis:
***p<0.01, **p<0.05, *p<0.1

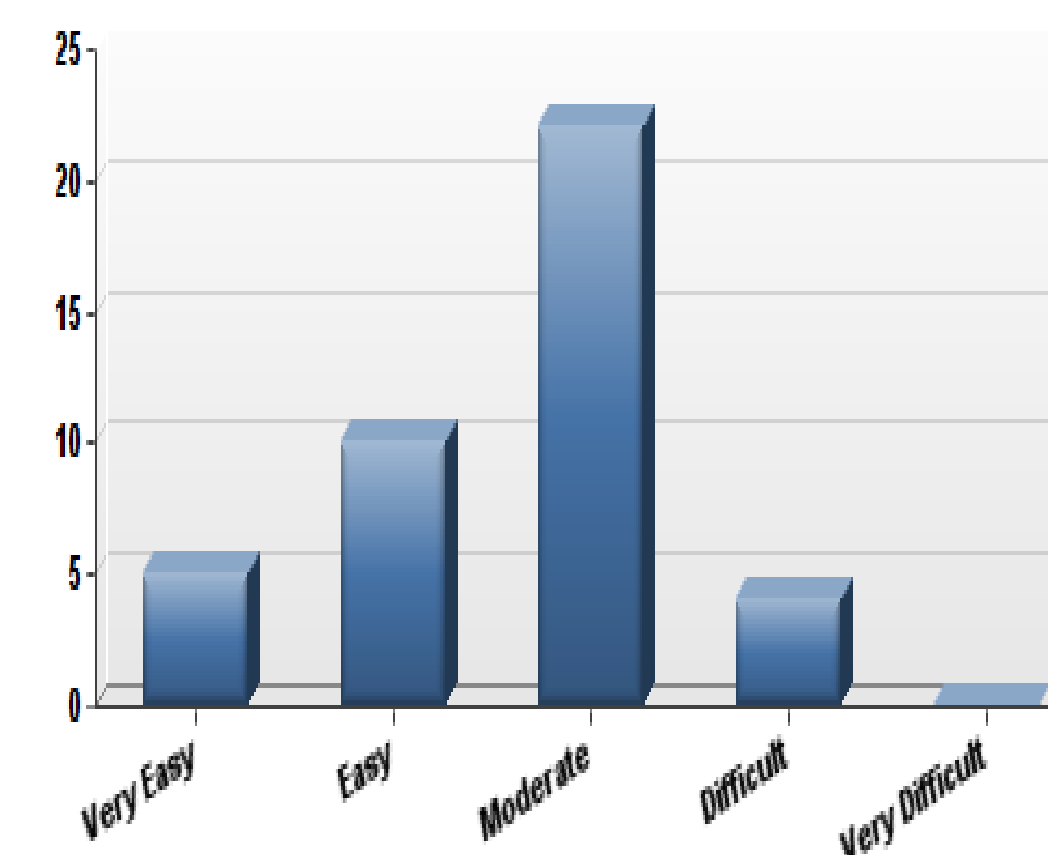
Farmer's Market Managers:
How competitive do you feel your market is with other local farmer's markets?



Farmer's Market Managers:
Do you think another market could Open up successfully in your area?

#	Answer	Response	%
2	No	3	38%
1	Yes	5	63%
	Total	8	100%

Farmer's Market Vendors:
I think the legal procedures to become a vendor at Farmers' markets are:



SIGNIFICANCE OF STUDY

1. Clear understanding of legal framework and competitiveness in farmer's markets.
2. Helpful recommendations to promote the appropriate amount of competition in farmer's markets across the state of Kentucky.
3. Will help policy makers ensure legal requirements that promote economic efficiency through effective competition.
4. A description of legal framework under which local farmer's at farmers markets operate in.

KEY FINDINGS

1. Most farmer's market vendors believe that legal procedures to get involved with farmer's markets are moderate. Only 10% believe it is difficult to get involved.
2. 63% of market managers believe that another market could be successfully opened in their area, showing that there could be more markets opened in Western Kentucky.
3. Approximately 75% of farmers market managers believe their market is less competitive than other markets in the area.