



Stockton Farmers' Market Case Study

An Urban Community Market

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March, 2001

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Agricultural Sustainability Institute at University of California, Davis

Part of a Study on Retail Farmers' Markets and Rural Development in
conjunction with researchers at Cornell University and Iowa State
University

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Agriculture and Natural Resources

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Funded by the Fund for Rural America, USDA

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Introduction

The Saturday Stockton Certified Farmers' Market (CFM), located beneath the Crosstown Freeway at Washington and El Dorado Streets near downtown Stockton, is one of California's oldest, largest and most successful certified farmers' markets. Each Saturday morning, as many as 80 vendors crowd the sheltered parking lot underneath the freeway that separates the downtown area from a modest inner city neighborhood populated by many Southeast Asian immigrants.



While the atmosphere at first challenges many common perceptions of what a successful farmers' market should look like, closer examination shows why this market draws as many as 10,000 customers on a busy day. As early as six o'clock in the morning, crowds of excited people representing the broad cultural diversity of Stockton's population arrive to shop, demonstrating the community's strong support for the market. By ten o'clock, most vendors have sold-out due to the high demand for their fresh, locally grown exotic and specialty produce. In addition to an unusual selection of mostly Asian vegetables and fruits, several of the market's vendors offer live animals, such as chickens and ducks. An immediately adjacent non-certified section of the market provides space to numerous seafood vendors, tofu and soy product manufacturers and several local bakeries.

The market's exotic produce, strong immigrant affiliation, and sheer size make it an important element in the local food system and economy. These features also make it a market well worth exploring in greater detail. As part of a multi-phase study of the entrepreneurial and community development functions of California Certified Farmers' Markets, we chose the Saturday Stockton CFM for one of our case studies. We visited the market in November 2000 to interview some of the vendors and to learn more about what makes the market so successful for them, and popular with the community. We also wanted to identify any perceived obstacles to entrepreneurial development that the vendors have encountered. Additional interviews were conducted by telephone and in person following our initial visit.

Founding the Market

The Saturday Stockton CFM began in July of 1979 as one of the original four charter markets in the newly created Certified Farmers' Market Program of the California Department of Food and Agriculture. The Rural Economic Alternatives Program (REAP), a program of the American Friends Service Committee, acted as the initial sponsor for the market. REAP promotes alternative economic development, low-income family housing and multi-ethnic civic



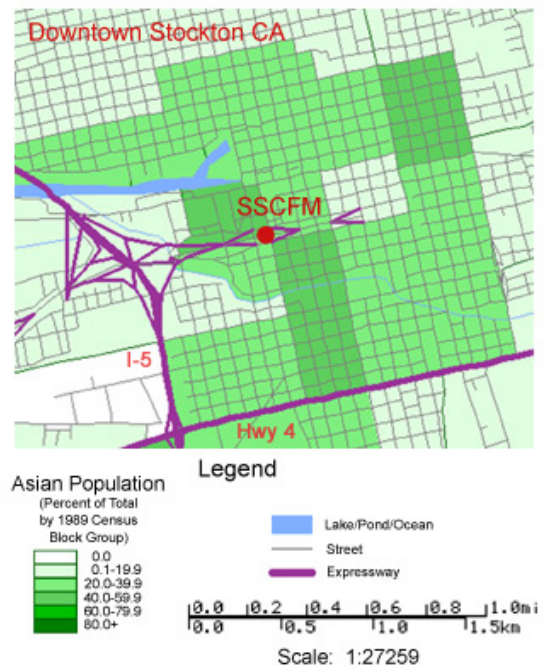
participation in the northern San Joaquin Valley. In 1980, the market became an independent non-profit corporation known as the Stockton Certified Farmers' Market Association. In addition to the Saturday morning market, the association operates three other certified farmers' markets in Stockton. Each market has its own distinctive flavor, reflecting the cultural diversity of Stockton and its rich agricultural history.

Mike Billigmeier first attended the market in 1979 with his parents who were among the original 20 farmers that founded the market. Many of the original vendors have since gone on to other markets or retired but Mike has taken over the family business and continues to market through the Stockton farmers' markets. His 200-acre family farm produces primarily fruits and nuts, with a small number of acres dedicated to row-cropped vegetables for the farmers' markets. Mike has chosen to sell at only two or three farmers' markets per week during the peak season because he likes to be able to attend the markets himself.

Mike has also been an active board member for several years and serves as the current president of the association. The SCFMA is governed by a board of directors composed of nine vendor members. The board meets monthly to provide governance and support to the association's four certified markets.

Local Demographics Affect Market Evolution

Stockton is one of California Central Valley's larger metropolitan areas, with a population of 247,300 in January of 2000 (State of California, Department of Finance). The 1990 U.S. Census reports that 23 percent of these people are Asian, representing a broad spectrum of cultures including Chinese, Filipino, Japanese, Korean, Vietnamese, Cambodian, Hmong and Laotian. On a finer scale, the 1990 Census shows that the census tract containing the market neighborhood is 34 percent Asian, with some block groups (census tract subdivisions) as high as 50 percent or more Asian (see figure 1).



The majority of these immigrants came to Stockton following the United States withdrawal of troops from Vietnam in 1975, part of the more than one million Vietnamese who immigrated to the U.S. with help from programs such as the Resettlement Opportunities for Vietnamese Returnees Program. In addition to Vietnamese, there are about 170,000 Laotian refugees in the U.S.. Most are from the Hmong tribe, and half are living in California (Migration News, 1998). In the period from 1990 to 1996 alone, San Joaquin County saw a 30 percent increase in its Asian population (U.S. Census Bureau 1998 USA Counties data).

Local demographics quickly began to influence the vendor mix of the market, and during the early 1980's, it evolved to represent the consumer demands of South-East Asian tastes. While the market's initial vendor mix was predominantly white, it is currently composed of 90 percent Southeast Asian vendors - primarily Hmong, Lao and Vietnamese.

Opportunities for Vendors and Low-income Shoppers

The USDA Food Stamp Program played an important role in transforming the market by enabling lower income families to shop at the market with their coupons. Many of the Southeast Asian immigrants who came to the U.S. as refugees have limited English language skills and minimal training or experience for the U.S. job market. As a result, they have been largely limited to low-paying, unskilled



labor jobs or self employment opportunities requiring a minimal amount of capital outlay, such as market gardening. The 1990 Census reports the 1989 median household income for the census tract containing the market to be \$9,205, in comparison with a city-wide median of \$26,876. In the same census tract, 50.4 percent of the population was living at or below the poverty level in 1989, while the San Joaquin County average was only 15.7 percent.

In addition, many of these refugees have large families with family sizes of eight to ten persons being common. These two factors, low-income and large family size, have left many refugees dependent on government assistance programs such as food stamps.

Carlos Dutra, the market's current manager, says this dependence is reflected in the market's high volume of food stamp and Farmers Market Nutrition Program (FMNP) coupon sales. By the mid 1990's, food stamp sales reached a high of about \$1 million per year at the Stockton Saturday CFM. The Welfare Reform Act of 1996 cut this number in half, to only about \$500,000 in 1997, plus approximately \$100,000 in FMNP coupon sales. In 1997 alone, some 20,000 Laotians aged 18-65 were removed from food stamp rolls. In response to these cuts, Hmong immigrants who fought with and for the CIA in the Vietnam War asked to be treated as veterans to retain their eligibility for food stamps (Migration News, 1998). Many had their eligibility restored by congress in November, 1998.

Families in Cooperation

Peng Lo, executive director of the non-profit service organization, Lao Family Community of Stockton, arrived in the Stockton area in 1982 with his brother Fong. They had been in the United States since 1976, living and working in Denver, Colorado. They came to California for

the climate and because it had already become recognized as a center for Southeast Asian immigration. Within a short time, they were able to sponsor the immigration of their parents, who also came to Stockton. Along with other recent Lao and Hmong immigrants who had come from a strong agricultural tradition, Peng and his family quickly recognized the potential to begin farming enterprises. By 1983, they had formed a non-profit corporation called the Southeast Asian Farm Development Inc.

The Southeast Asian Farm Development Inc. received a one time grant for job training assistance from the Office of Refugees and Resettlement (ORR - a federal program) and San Joaquin County. With this money, they were able to purchase a used tractor and several farm implements as well as pay for the lease of 20 acres just outside Stockton. In addition, they hired a bilingual training staff of three people to work with both the immigrant farmers and University of California Cooperative Extension advisors.

About 80 immigrant farmers enrolled in the program. In addition to training in the production and marketing of Asian vegetables, the program focused on developing the participants' English language skills. Although funding ran out after a year and a half and the project ended in 1985, wholesale marketing of their produce generated \$50,000 in gross sales. This provided seed money for many of the participants to use in starting their own farming enterprises.

Cooperation within and between families played and continues to play an important role in their success. Peng Lo, for example, owns a 10-acre block of land just outside Stockton. His father, Youa Lo and brother, Fong, farm two acres of this property and Peng leases the rest to several cousins who also grow vegetables for the Saturday Stockton CFM. This land-sharing arrangement is common among the vendors at the Saturday Stockton CFM since most of the vendors only sell through one or two markets per week and need only a few acres for production. In addition to land, families also share equipment and labor. Few, if any, of these immigrant farmers employ non-family labor.

Brief profiles of four other vendors at the Saturday Stockton CFM provide a more detailed picture of the scale of these immigrant farm enterprises:

1. Nareth Run, a vendor at the Saturday Stockton CFM since 1998, has been farming for six years. He began marketing through the San Francisco Wednesday CFM. Nareth sells between \$200-\$300 of produce a week at the Saturday Stockton CFM during the winter, but sometimes has markets with gross sales of up to \$1000 per week during peak season.

2. Cherxa Lo began selling at Stockton in the early 1980's. He and his immediate family grow Asian vegetables on three acres near Lodi. They attend one market per week and only use family labor. Cherxa Lo is a first-generation Hmong immigrant.
3. Chieng Lo has been a vendor at the Saturday Stockton CFM since 1985. Chieng rents a 20-acre parcel that he shares with several cousins. He and his immediate family work five acres and sell at both Saturday Stockton CFM and the Sunday Sacramento CFM. Chieng has only occasionally sold to wholesale outlets because price fluctuations and the demands of providing a constant supply have been too great a challenge at his scale. He would like to see a local cooperative formed to help smaller growers with entering into the Stockton wholesale market. Chieng also works part time for the Lao Family Community of Stockton, assisting immigrants with job placement.
4. Bert Binuncal is one of the Saturday Stockton CFM's original vendors and began farming in the U.S. in 1979. Bert and his family sell live chickens and eggs as well as some fruit and vegetables. They farm at two locations in the Stockton area: One 30-acre parcel and one six acre piece. Bert sells as many as 100 live chickens per market at \$7/bird. He only sells through the Saturday Stockton CFM.

English name	Botanical name*
Bitter Melon	Momordica charantia
Bean, Chinese long	Vigna unguiculata
Broccoli, Chinese	Brassica oleracea, Alboglabra group
Chayote	Sechium edule
Winter Melon	Benincasa hispida
Taro	Colocasia esculenta

English name	Botanical name*
Daikon radish	Raphanus sativus
Bok Choy	Brassica rapa, Chinensis group
Nappa Cabbage	Brassica rapa, Pekinensis group
Specialty mustard, various	Brassica juncea

Table 1: Asian produce commonly found at the Saturday Stockton CFM

*(*Botanical names taken from University of California Division of Agriculture and Natural Resources Publication 3346, Specialty and Minor Crops Handbook, 2nd ed., 184 pp., 1998.)*

Cultural traditions among immigrant vendors tend to be preserved: Lao and Hmong peoples, from landlocked areas in Southeast Asia, generally pursue vegetable farming, while Vietnamese immigrants from coastal areas often tend towards selling fish at the market. Second generation immigrants usually attend school here in the U.S. and generally leave the farm for other careers. Carlos Dutra confirmed that most of the vendors at the Saturday Stockton CFM typically gross about \$400/week. He also says that for many of them, this is their sole source of income.

Many of the farmers grow vegetables commonly available in the U.S. as well as their traditional varieties. Southeast Asian varieties, though, by far dominate most of the farmers' tables. A sample of some of the vegetables we saw in abundance in the fall at the Saturday Stockton CFM appear in the following table.

Challenges to Entrepreneurial Development

A number of challenges to the growth and sustainability of these agricultural enterprises have been identified by both the vendors as well as by U. C. Cooperative Extension advisors in the area. Language barriers complicate production, post harvest handling and marketing related issues. In response, U. C. Cooperative Extension offices in both Stockton and the Fresno area have begun translating some publications into Hmong, and producing new materials and

resources directed toward smaller scale Asian specialty vegetable farmers. The U. C. Small Farm Program has also assisted in the development of these resources (See Resources in appendix).

One of the first resources to be made available were instructions on the safe handling of pesticides and other hazardous agricultural chemicals. This topic was chosen because it represents a significant amount of the risk involved with farming. In addition to printed materials, the Stockton Cooperative Extension office also produced a video on pesticide safety in Hmong.

Another issue affecting the production of Asian specialty vegetables is the lack of registered pesticides available for those specific crops. Richard Molinar, small farm advisor in Fresno County, says that as a result, growers often resort to less effective broad spectrum chemicals or none at all. Manufacturers are unlikely to go through the registration process for specialty crops unless a high demand can be demonstrated. Organic production practices may provide some solutions to these issues and the Fresno Cooperative Extension advisors have begun working on such approaches with some of their growers.

High rates of viral infection in seed has also been a production problem for some of the growers at the Saturday Stockton CFM. Bob Mullen, San Joaquin County Vegetable Crops advisor who has worked with some of the growers, notes that this is related to the practice of saving seed without careful screening. Commercial seed producers have begun to produce and sell some of these specialty seeds in recent years which has made high purity, virus free seed more available. In addition, Cooperative Extension Small Farm advisors have also begun running variety trials to identify the most vigorous and disease-resistant cultivars for this region (R. Molinar, UCCE Fresno, personal communication, 2000).

Beyond the Market

Many of the vendors we spoke to during our visit to the market indicated that while they were mostly satisfied with their farmers' market experience, they would like to expand their operations to meet local wholesale demand. Individual attempts to reach wholesale markets in San Francisco and Los Angeles were frequently met with frustration. Communication barriers, price fluctuations and inconsistent supply are some of the reasons given by Saturday Stockton CFM farmers as to why they discontinued their attempts to reach larger regional wholesale markets. Many of the growers at the Saturday Stockton CFM feel they could more feasibly meet local wholesale needs by marketing and distributing their produce through a cooperative. The

potential market seems more than adequate, with close to 60,000 Asians in Stockton alone and as many as 100,000 in San Joaquin County.

Peng Lo described a general business plan for this venture that includes leasing warehouse space in Stockton and establishing a cooperatively owned packing facility with cold storage space. Peng said that interested farmers from the Saturday Stockton CFM are looking for a loan program or other funding agency to help get them started.

This cooperative enterprise would allow smaller growers to benefit from economies of scale such as purchasing boxes in volume. Smaller growers shipping cooperatively also benefit from gaining access to another marketing outlet, wholesale marketing, without each having to make large capital outlays to expand production and business management. At the same time, growers will gain an opportunity to use the production and business administration skills they acquired through their farmers' market experience to make a lower-risk expansion into a new market.

Continued assistance from Cooperative Extension would help these farmers realize their vision. In particular, participating in the workshops organized by the Fresno Cooperative Extension Small Farm Resource Network for their growers would allow Stockton growers to learn from the wholesale marketing experience of Fresno area immigrant farmers. Facilitating better exchange between Fresno and Stockton area Southeast Asian farmers would mutually benefit both groups. Fresno area Southeast Asian farmers have already succeeded in entering wholesale markets. In return for transferring some of the skills they have developed, Fresno immigrant farmers could benefit from the direct marketing experience gained by the Stockton group through their farmers' market. Fresno, despite its relatively large Southeast Asian immigrant population, does not have a certified farmers' market that caters directly to its Asian community.

For both groups, the Saturday Stockton Certified Farmers Market will continue to play an important role in providing growers with year round direct markets and opportunities to build skills enabling them to expand or diversify their enterprises. These small farms and micro enterprises provide jobs and help to sustain the communities they serve with fresh produce.

Resources

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MIGRATION NEWS, 1998.

California: Integration, Schools, Economy

January. Vol 5. No 1.

Web site: <http://migration.ucdavis.edu>