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Green space

Study finds parks help health, productivity and property values. **Page 4**

IN FOCUS: Midyear report

Context matters

Market experts warn that even with some numbers trending up, the regional economy has room for improvement. **Page 13**

26,500

Fewer people looking for work than in 2009.

5%

Amount that retail sales increased from May 2009.

190

Number of jobs manufacturer IMO Group expects to bring to Dorchester County.

At Work



All aboard

Daniel Island bus executive wants to give struggling schools and municipalities cash for their old buses. **Page 25**

SUMMEY'S GRAND RAIL PLAN

N. Charleston redirects rail debate

BY DANIEL BROCK
dbrock@scbiznews.com

On a warm evening in early July, North Charleston Mayor Keith Summey grabbed a microphone and laid out a plan to save his city.

EXECUTIVE SUMMARY

North Charleston's alternative rail plan changes shape of arguments over rail.

Hundreds had come to Park Circle for a hastily organized public forum called by Summey, during which he unveiled an expansive new plan for commercial rail. It was a vision, he said, that would protect

years' worth of redevelopment on the former Navy base from state lawmakers who didn't



Photo/Leslie Halpern

prioritize the city's residents.

Summey delivered his pitch inside a brimming Felix C. Davis Community Center with verve and conviction. He called out legislators for failing to serve the people of North Char-

See RAIL, Page 8 ▶

Dual access the only issue for Ports Authority

BY DANIEL BROCK
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The S.C. State Ports Authority has largely distanced itself from the fracas over commercial rail access to its terminal on the former Navy base, an issue that has nagged at the project practically since its inception. The maritime agency says it has one requirement: Any plan must offer access to both major rail carriers.

"We cannot be a single-rail-served," SPA President Jim Newsome said. "The reason is, our customers, the container lines, like to have competition between the railroads."

See SPA, Page 21 ▶



Area farmers markets offer more than local produce. Some serve as incubators for retail and restaurant businesses to test-market products and go from once-a-week vendors to standalone operations.

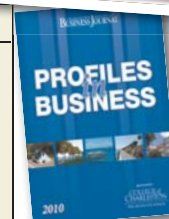
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Photos/Leslie Halpern

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Profiles In Business
INSIDE: Read about some of the most influential businesses in the Charleston region.



Ricky Hacker (bottom) and Matt McIntosh, co-owners of EVO in North Charleston, tested the restaurant's business model and products at the Charleston Farmers Market. (Photos/Leslie Halpern)

Area farmers markets growing businesses

BY ASHLEY FLETCHER FRAMPTON
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Jason Houser set up shop at the Charleston Farmers Market this year, making his first official go of selling bacon, artisanal sausages and other pork products he makes by hand from South Carolina-raised pigs.

Houser, a former local restaurant chef, is hoping the Saturday market in Marion Square will help him build a customer base and launch the once-weekly booth, called Meat House, into a full-time retail operation.

The farmers market has had that effect in the past.

The city of Charleston's downtown farmers market and others in the area provide low-cost startup space and a captive audience, allowing budding restaurateurs and retailers to test the business waters.

While they fulfill the traditional role of connecting local farmers with consumers, the markets also serve as venues for entrepreneurs to develop a following, experiment with pricing and marketing, ramp up sales and move on to larger ventures or permanent storefronts.

That's how it worked for Ricky Hacker, co-owner of EVO pizzeria in North Charleston.

'So much exposure'

Hacker and his business partner, Matt McIntosh, met while working together at the downtown restaurant Fig. They dreamed of opening their own restaurant

and selling wood-fired pizzas made with fresh local ingredients.

They had crunched the numbers and developed a business plan. But being aware of the failure rate for new restaurants, Hacker said they hesitated to jump in.

So they bought a wood-fired grill on a rolling cart, and in the spring of 2005, Hacker and McIntosh joined the Charleston Farmers Market. For about \$25 each week, they could sell their pizzas to the crowds.

The business got going quickly, Hacker said.

"There is just so much exposure downtown," he said.

City of Charleston officials say their downtown market, which runs from April to December, draws 1,500 to 2,000 people on an average Saturday, including a mix of locals, tourists and college students. During special events like the Piccolo Spoleto Festival, as many as 5,000 people stroll through the Saturday market.

In addition to the Charleston Farmers Market, which Hacker said is the largest in the area and has the widest draw, the two took their cart to farmers markets on Kiawah Island, in Mount Pleasant and in the I'On community.

They hired themselves out to cater private events, like birthdays and graduations. Many of those jobs came from people they met at the farmers markets, Hacker said.

See **FARMERS MARKET**, Page 6 >

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FARMERS MARKET, continued from Page 5

After two years of developing their products and gaining a reputation, the pair parked their cart and found a permanent home for EVO on Montague Avenue in North Charleston's Park Circle.

By the time they opened the restaurant, they already had a customer base. They knew their pizzas would sell, and they'd worked out their recipes. They'd also established relationships with reliable suppliers.

Hacker said those are things that could take a new restaurant a year or two to figure out, things that can lead to a new business struggling or failing as it juggles the costs of a permanent location against unknown income.

"We opened up with those already nailed down," he said.

Hacker said EVO's startup costs were likely higher than those of some farmers market vendors because of their special equipment. But even so, they were a fraction of what it would've cost to launch straight into a permanent restaurant.

Vendors pay between \$25 and \$35 at the Charleston Farmers Market, depending on the type of sales and the location, said Sarah Cothran, market manager.

And though the startup costs are low relative to a permanent operation, she said selling at the Charleston Farmers Market does require commitment.

"This is more than setting up a table," she said.

Most vendors also have to buy a 10-by-10-foot tent and a table. They must arrive by 7:30 a.m. to set up and stay until 2 p.m. when the market closes, every Saturday for nine months of the year, April to December. And vendors must obtain a city business license and pay city taxes.

'Pivotal moment'

The cost and effort was worth it for Ken Immer, who started selling his raw granola, called gRAWnola, at the Charleston Farmers Market midway through the season in 2007.

That was about eight months after he first began selling gRAWnola, mostly through local yoga studios. Immer said many people buying his product at those sales spots did so because they knew him and wanted to support him.

"What the farmers market revealed to us was that we had a really broad base, because everyone goes to the farmers market, from healthy consumers who are looking for local vegetables ... to tourists on vacation from anywhere," Immer said.

The farmers market gave Immer direct contact with customers and allowed him to explain the benefits of eating raw food. It gave him a chance to experiment with signage and other marketing efforts, and with pricing.

When Immer returned for a second year, he raised gRAWnola prices to a level that he said would make the company

more sustainable and allow for growth. He wasn't sure how it would go over with customers, but Immer said they didn't seem to notice.

"It was another opportunity for me to understand how markets work, how pricing works and how customer loyalty works," Immer said.

If sales of gRAWnola at the farmers market hadn't gone well, Immer said he would have rethought the concept, reformulated the recipe or possibly abandoned it altogether. Instead, he learned he had a viable product.

"It was very much a pivotal moment for us," he said.

Immer said he only sold at the downtown Charleston market because it is the largest locally and he had time for only one. His second year there turned out to be his last — primarily because he forgot to apply in 2009.

But by then, interest in gRAWnola had picked up so much that Immer said he needed to spend more time focusing on other sales avenues, including online sales and contracts that would soon follow with the Earth Fare and Whole Foods retail grocery chains.

"Our business had grown to a point where that (the farmers market) was no longer the main source of our income," he said.

Staying put

Not all farmers market vendors seek to move on after they catch on.

Some rely on the markets for all or the majority of their sales. Others, like Brian Bertolini, who owns Rio Bertolini's pasta, use farmers markets to supplement — and advertise — a wholesale business.

Most of Rio Bertolini's sales of homemade noodles, ravioli and gnocchi are to restaurants in South Carolina and North Carolina. He also sells his pasta through some local specialty retailers and some area Piggly Wiggly stores. And, starting soon, he will sell in some Whole Foods stores in the Southeast.

The pasta he sells at farmers markets represent about a quarter of his overall sales, Bertolini estimates. But those sales help with cash flow, as some restaurants don't pay him for 30 to 60 days. And the farmers markets provide an outlet for selling off the overflow from restaurant orders.

Bertolini's pasta operation began as a side business. He had moved to Charleston about 10 years ago to work at Charleston Grill, after completing a culinary degree in New York. But soon after he arrived, he decided to pursue a degree in international business.

Using the connections he'd made in the restaurant business, Bertolini began selling his handmade pasta to local chefs to earn some extra money while at the College of Charleston. He would go to restaurants' back doors and pitch his products.

Before long, orders picked up enough

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Brian Bertolini, owner of Rio Bertolini's, cuts and bundles specialty pasta at his production facility on Wappoo Road in West Ashley. (Photo/Leslie Halpern)

for Bertolini to focus on making pasta full time, and he found a better production facility. About the same time, he set up at the Charleston Farmers Market.

"That's when it took off," Bertolini said of his business.

Chefs he didn't know saw him at the market and started buying his pasta, which comes in dozens of flavors like saffron, duck egg, carrot and beet. Filled pastas are packed with ingredients, often local and seasonal, like crab, smoked trout and spinach.

Since starting out at the Charleston Farmers Market, Bertolini has expanded the business to cover the Mount Pleasant farmers market as well as markets in Bluffton, Greenville and Asheville, N.C. He now sells to restaurants in most of those areas, too; and selling at the nearby farmers markets helps raise his visibility among chefs.

Bertolini said the farmers markets are an economical way to boost his sales. Opening a storefront to supplement his wholesale business would never make sense, he said.

"It's just not cost-effective," Bertolini said.

Trend toward local

Some vendors say farmers markets are all about local products, and the recent movement toward buying local has helped fuel support for market vendors.

"Everyone is going local, wanting to be local, buy local, whatever," said Cothran, the Charleston market manager.

She said that trend is clear in Charleston, where restaurant chefs will use farmers' names and locations on their menus.

"They're signaling that local is the way to go," she said. "We fall right in that."

The Charleston Farmers Market allows vendors only from Charleston, Berkeley and Dorchester counties.

Houser, who is selling artisanal pork products at Meat House, said the fact that the market draws people interested in

supporting local businesses is one reason he's starting out there. Market customers could buy pork — as well as vegetables and other items — from a grocery store, sometimes at cheaper prices.

But, he said, "They want to buy local. They want to know who's doing it."

The Charleston market, which first opened in 1989, has space for 100 farmers, food vendors and craft vendors, but it actually hosts about 90 because some farmers take more than one spot. Cothran said the city tries to include as many farmers and growers as possible, as local produce is the market's core function.

With more interested vendors than space available, Cothran said she tries to balance the supply with demand. If too many vendors sell grilled cheese sandwiches, for example, "no one is going to do well."

Along with the benefits of selling at the farmers markets, vendors say there are a few drawbacks. Among them is the variability of weather — extreme heat and rain usually mean slow or no sales. Another drawback, in the case of the Charleston Farmers Market, is the nine-month commitment to working every weekend.

And there's the fact that the weekly sales window is one day only, if vendors stick to just one market.

For Houser, though, the remaining six days of the week are fairly busy with the work needed to establish his Meat House business. In addition to preparing the products he sells on Saturdays, he takes special orders for pork and other types of meat.

Some orders are from contacts in the restaurant industry. Others are from farmers market customers. Both are exactly the kind of spinoff growth he is hoping will take his business full time. ■

Reach Ashley Fletcher Frampton at 843-849-3129.

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