

Know Your Goats

Charuth van Beuzekom-Loth wanted sheep but opted for goats because of her past experience of raising them as a child. Jacqueline Smith went into the sheep dairy business because she was, in her words, just out of college and a bit naive. Tana McCarter's decision to raise goats was part defiance, part justification and part retribution. All three launched their businesses with big hopes and high expectations, and all three learned that it takes much more than that to make a successful business.

"It's daunting getting into this business," van Beuzekom-Loth, co-owner of Dutch Girl Creamery, told a group of beginning goat and sheep dairy producers at a workshop in Lawrence. "You'll work 80 hours a week, everything will cost more than you think it should, everything takes three times longer than expected. You have to know what's involved."

Smith agreed. "When we started Green Dirt Farm, all we did was work," she said. "There was a steep learning curve. You have to know what you want to do, and what your vision is. That's going to drive your decisions."

"Without a business plan, it was a hard road," McCarter, owner of Dorema Farm, said. "It was all trial and error." But, she added, "It's a very good life."

A very good life-and easier to attain, all three insisted, through learning and networking with peers, having a detailed business plan in place and taking an innovative, if not visionary, approach to planning. They shared insights into their own successful operations and offered ideas on lessening the learning curve in Goat and Sheep Dairy Enterprise Exploration: Getting the Most Out of Your Milk, a workshop sponsored by Amazing Grazing, a collaboration of the Kansas Farmers Union and the Kansas Graziers Association. The workshop, held on Saturday, January 17, at Pachamamas in downtown Lawrence, included Duane Dolechek, who offered guidance from the perspective of a dairy program inspector for the Kansas Department of Agriculture.

Starting small doesn't mean thinking small, van Beuzekom-Loth said. When she and her husband, Kevin Loth, set out to create a grade A goat dairy business at their organic vegetable farm near Lincoln, Nebraska, they figured 40 goats would be plenty. Accordingly, they laid out a facility that would handle that many. It was the first of many such mistakes.

"In the beginning it's difficult to see how big you might become," she said. "Always think of the biggest dairy you'll ever have. The scale of production is the biggest consideration you have to make."

Building a facility large enough to handle a commercial-sized flock not only saves money in the long run, she said, but it also makes more efficient use of time and space. "It takes us about the same amount of time to milk 200 goats as a friend does for four goats," van Beuzekom-Loth said. "The efficiency of scale will save time."

Other factors include whether to sell direct, retail or wholesale, the number of products to offer, determining competitive pricing, if employees will be needed and, more than anything else, a complete understanding of state and federal regulations for dairy production, she said.

Recent uncertainty over impending changes in federal regulations due to the Food Safety Modernization Act have left goat and sheep dairy producers uncertain about the future, van Beuzekom-Loth said. "Raw milk is the goal, but a lot of things are changing," she said. "I recommend that everybody start with pasteurized products. You have more control and it's safer."

Product testing is critical for the safety of both the consumer and the operation. If an inspector finds disease organisms in your product line, she said, they can shut you down forever. "You can't just send out your stuff and hope nobody gets sick," she said. "Are you willing to take on that liability?"

Liability, and liability insurance, is a cornerstone of marketing for Jacqueline Smith. A co-founder and operator of Green Dirt Farm and Only Ewe, Weston, Mo., she manages over 500 sheep and produces several award-winning cheeses. Increasingly, she said, documentation about every facet of the operation including ingredients and suppliers, plus proof of liability insurance are required for selling at farmers markets as well as to retailers and wholesalers. Like many producers, she started selling at farmers markets but eventually outgrew them. "That brings you to another growth level, and liability insurance goes into that," she said. "With food safety being so critical, they will come to you asking for documents and insurance. You're going to have to have a really detailed breakdown of your farm."

In her experience, one of the trickiest aspects of production was packaging. Finding the right container at an affordable price proved to be one of the largest hurdles she faced. Pricing was a close second. Though there are numerous resources for learning the sheep dairy trade, she said, when it comes to pricing there was very little information available.

Understandably, food safety is a priority for Dolechek, and he brooks a

no-nonsense approach. "I'm the person nobody wants to see come out to their farm," he said.

Kansas is a brucellosis-free area, so all goats and sheep must be tested. Dairies can be licensed or unlicensed, each with its own set of regulations and benefits.

Increasingly, he sees more interest in goat and sheep dairies, especially for producing raw milk products in unlicensed operations.

Raw milk products can be sold in Kansas but only to the end consumer, and only at the farm where they were produced. Advertising of any kind other than signs placed on the producer's property is strictly forbidden, and must clearly state that the products are unpasteurized. In addition, containers must be clearly labeled as ungraded raw milk, he said.

For McCarter, the ability to sell raw milk in Kansas was reason enough to relocate from Georgia (where it was illegal). "I thought I'd get arrested for bootlegging," she said. "Kansas gave me more market opportunities."

Another reason the state appealed to her was that in some places there are more goats than people. McCarter loves goats and all things associated with goats, and produces raw milk products as well as artisan soaps, the latter another reason that she shed no tears for her home state when it came time to leave.

She had just started making goat milk soap and was intensely proud of her products. Family and friends, however, remained dubious. After handing out soaps for Christmas presents, her family and friends did the unthinkable: they laughed at her.

"I decided I needed new friends," she said. Not long after, when her husband mentioned a job offer in Kansas, she started packing.

New friends she found, and in short time she founded Dorema Farm, named for a word in James 1:17 whose Greek translation means "perfect gift."

The business, however, wasn't exactly perfect. There was a lot to learn, from working with animals to breeding, from marketing to packaging, and the absence of a business plan left her almost rudderless. Resilience and a touch of spite pulled her through, and she slowly navigated her way through regulations, requirements and certain dangers associated with raw milk products-notably soap.

"Soap needs lye," McCarter said. "When you order lye online, you automatically go on the drug watch list. Lye is a principle ingredient in meth. Not only is it

dangerous to handle, it can get you in trouble other ways."

For instance, when shopping in Oklahoma she came across a store with six bottles of lye on the shelf for a ridiculous low price. She bought five bottles, paid the cashier, and walked out. By the time she got to her car a police officer was waiting with questions about her intentions.

"These laws are in place for a reason," she said. "We have to know what we're doing."

Making a cost analysis about each product is crucial, she said. "I need to know how much it costs to do business," she said. Everything from ingredients to supplies must be considered, and whenever possible she shops around for the best prices. When labeling products, she includes as much information as possible, not for branding purposes, although that's part of it, but to protect customers who might have intolerances or allergies. "People today are more sensitive," she said. "From the greatest to the smallest ingredient, I put everything in there to protect customers and myself."

When asked if she's concerned about the dangers of raw milk, she just shakes her head. "Honey," she replies, "when they traveled across the prairies, they didn't pasteurize their milk."

McCarter recently created a website and a blog to keep customers up to date on the farm. The latter can be found by visiting www.doremafarmtales.blogspot.com.

"I'm having fun with the blog," she said. "All those people who laughed at me get to read how well I'm doing."

Following the presentations, the three women joined Ken Baker, executive chef and owner of Pachamama's, and Lincoln Broadbooks, manager and buyer for The Better Cheddar, a high-end artisan cheese retailer in Kansas City, to answer questions about marketing and sales.

For more information on Goat and Sheep Dairy Enterprise Exploration: Getting the Most Out of Your Milk and other workshops sponsored by Amazing Grazing, visit their Web site at AmazingGrazingKansas.com

Amazing Grazing is a collaboration of the Kansas Farmers Union and the Kansas Graziers Association with funding from the North Central Extension Risk Management Education Center and the USDA National Institute of Food and Agriculture. Project partners include: KSRE, Kansas Grazing Lands Coalition, Frontier Farm Credit, NRCS-Kansas, and Kansas Center for Sustainable Ag and Alternative Crops.

About Kansas Farmers Union

Kansas Farmers Union is the state's oldest active general farm organization working to protect and enhance the economic interests and quality of life for family farmers and ranchers and rural communities. We believe family ownership of farm land is the basis for the world's most viable system of food and fiber production, and that maintaining this family farm system will preserve our natural and human resources