

# Bringing the Retail Dollar Home- Increasing Profitability of Small Scale Meat Production Through Direct Marketing

## Final Report for FNC06-611

Project Type: Farmer/Rancher

Funds awarded in 2006: \$5,938.00

Projected End Date: 12/31/2008

Region: North Central

State: Illinois

Project Coordinator:

[Beth Osmund](#)

Cedar Valley Sustainable Farm

## Project Information

### Summary:

#### PROJECT BACKGROUND

Six years ago, Beth and Jody Osmund left corporate jobs (with Arthur Andersen and Allstate, respectively) in Chicago to start Cedar Valley Sustainable Farm north of Ottawa, IL. Jody's grandfather purchased the land sixty years ago when sustainable practices were the standard not the exception. The land had been farmed conventionally with a conservation bent for 30 years prior to the Osmund's move to the farm.

At present, six acres that have been in vegetable production are being converted to forage crops with the remaining 25 acres of tillable ground already in pasture. The whole farm has been chemical free since 2004. Vegetable plots are enriched with composted animal manures and are rotated with mixed grass/legume grazing areas every two years to utilize farm generated fertility.

In addition to crop rotation, Cedar Valley Sustainable Farm uses multiple species, rotational grazing. Laying hens follow grazing cattle to help control parasites and spread and incorporate manure. Meat birds (chickens and turkeys) move over recently grazed or baled paddocks spreading additional manure to enrich the pastures. The portable chicken field pens are moved twice a day and provide precise, uniform manure coverage on the paddocks while allowing the birds to graze and exercise on fresh grass.

Cattle follow when the grass grows back flush from the recent fertilization. Since 2005, Cedar Valley Sustainable Farm has used purchased feeder pigs to graze and root and till plots slated for vegetable production the following season. In 2008, Cedar Valley Sustainable Farm purchased swine breeding stock to incorporate into their rotational grazing program. The breeding stock adds another animal niche to our farm and reduces the amount of stock purchased off-farm.

#### PROJECT DESCRIPTION AND RESULTS

##### Goals:

- Economic - Increase in revenues. Our goal for 2007 was to increase revenues from

meat sales to \$67,000. Our actual revenues from meat, in 2007, were \$57,000 an increase of \$42,000. Meat sales for 2008 were \$138,000 – an eight-fold increase from 2006. These results have exceeded our expectations.

- Social – It will allow me (Beth) to continue to work full time on the farm and not return to teaching (my off-farm profession). This benefits our family – we have three young children; while making our goal of purchasing the land we farm feasible. Beth continues to work full time on the farm and our operation is the sole support for our family of five, and we are slowly building savings toward the purchase of the land.
- Environmental: Meat will travel an average distance of approximately 230 miles to get to the consumer (farm to processor to farm to consumer). This is in stark contrast to the 1500 - 2500 miles that meat typically travels (farm to feedlot to processor to central warehouse to stores to consumer). This slashing of transportation will save large amounts of petroleum.

The environment is also improved by keeping animals out of the industrial feedlot system and educating consumers about the importance and benefits of eating sustainable, locally raised food.

Although we have felt the pinch of high fuel prices this past year, we have met our goal of fewer food miles, especially since we combined trips (hauling animals to processor/returning meat to farm) as much as possible.

Process: Before purchasing our cold plate freezer market cart, we were able to borrow a similar unit from another farm that used it for direct marketing their meats. We took the full cart to the Family Farmed Expo in Chicago. This gave us experience in selling meat in a retail setting, and helped us to identify challenges to marketing an item that cannot be displayed. We now had experience and customer feedback to us in developing our marketing materials.

The cart's mobility and its ability to maintain sufficiently cold temperatures for 18+ hours without needing to be plugged into an outlet was a deciding factor in our purchase. We had visited farmers markets where vendors used generators to power chest freezers at market. These were loud, smelly, and cumbersome.

#### PEOPLE

- John and Pat Sondergrath of Heartland Meats in Mendota, IL were very helpful to us as we did our research as to what we would need to bring our meats to market.
- Josh Deth of the Logan Square Chamber of Commerce and director of the Logan Square Farmers Market was helpful in negotiating the requirements for selling meat at a farmers market in Chicago.
- Parker Forsell of the Collaborative Regional Alliance for Farmer Training (CRAFT) was instrumental in setting up CRAFT workshops for conducting outreach and education.
- Steve Malinsky of LaSalle County Cooperative Extension helped with our University of Illinois Small Farm tour.
- Dan Anderson & Deborah Cavanaugh-Grant of the University of Illinois were helpful in providing us a venue to speak about our project at the 2008 Midwest Organic Production & Marketing conference.

#### RESULTS

Sales increase: Gross Sales of meat increased by \$42,000 the first season after receiving the SARE grant. Meat sales for 2008 were \$138,000 – an eight-fold increase from 2006. These results have exceeded our expectations.

#### DISCUSSION

As part of participating in the grant, we took a focused, systematic approach to expanding our retail meat marketing. By experimenting with ways to market our

sustainably raised meat, we were able to identify opportunities and challenges of our chosen business model.

Focusing on the Farmer's Market as our primary sales outlet was reasonably successful, but we learned that that model is extremely challenging to pursue without significant additional workforce. The nature of raising animals is a daily set of responsibilities that need to be met without fail. The time and effort required to regularly participate in two weekly farmer's markets in addition to the daily routine was very taxing.

We have learned in the last year and a half that marketing our meats through the CSA model is much more efficient and profitable than farmers market sales. Next time, we would include more research of alternative sales channels. When asked by farmers who are considering expanding or initiating direct to consumer meat sales we strongly recommend the CSA model with limited farmer's market participation.

#### OUTREACH

Our experience as recipients of this grant has launched us into an exciting series of speaking engagements and field days that have given us many opportunities to share our experience with other farmers and the public. We've broadened our list of topics from the original plan in the grant based on the requests of our audiences. Following is a list of speaking engagements and outreach activities in which we have participated (or have scheduled in the near future):

- Illinois Organic Conference "Pastured Poultry: Production and Marketing" Jan. 2008 (75 participants)
- Great Lakes CSA Conference "Meat CSA: Production, Marketing and Management" Nov. 2008 (35 participants)
- Michael Fields Agricultural Institute "Pastured Poultry: Production and Marketing" Feb. 2008 / Mar 2009 - scheduled (25 participants)
- Michael Fields Agricultural Institute "Multi-Species Grazing" Mar. 2009
- Michael Fields Agricultural Institute "Meat CSA: Marketing and Management" Mar. 2009
- Cedar Valley Sustainable, Ottawa, IL "Hands on Pastured Poultry Workshop" (25 participants) Apr. 2009
- U of I Extension Office "Reaping the Rewards of Our SARE Investment Workshop" Dec. 2008
- Cedar Valley Sustainable, Ottawa, IL "Sustainable Ag Tour" July 2008 (9 participants)
- CRAFT "Wholesale and Direct Marketing Sales Channels" December 2007 (25 participants)
- CRAFT "Budgeting for a Pastured Poultry Enterprise" Dec. 2007 & Dec. 2008 (50 participants)
- Northern Illinois University (NIU), DeKalb, IL - Life Long Learning Institute "Midwestern Food Systems" Jan. 2008 (20 participants)
- Cedar Valley Sustainable, Ottawa, IL "Pastured Poultry Workshop" April 2008 (15 participants)
- Cedar Valley Sustainable, Ottawa, IL "NIU Students for Sustainability Tour and Project Day" Sept. 2008
- Cedar Valley Sustainable, Ottawa, IL "Spring Farm Tour" April 2008 (50 participants)
- One-on-One mentoring with Robin & Dave Jameson; local farmers considering retail meat sales ([www.walnut4meat.com](http://www.walnut4meat.com))

#### Publicity

- <http://24boxes.blogspot.com/>
- <http://having-company.blogspot.com/>

- <http://retro-green.blogspot>
- <http://www.tastybeat.com/2008/09/cedar-valley-farms-delivers-th.php>
- <http://ny.timeout.com/chicago/articles/restaurants-bars/70212/cowpooling>

#### PROGRAM EVALUATION

I found this program to be extremely well run and beneficial. In addition to contributing directly to our bottom line, it has helped us develop a strong voice for local foods advocacy. We've found an audience of farmers and potential farmers who are interested to learn what we have to share.

## Research

### Participation Summary

## Information Products

- [Cedar Valley Sustainable Farm Meat CSA \(Multimedia\)](#)

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