Money-Making Ideas To Boost Farm Income

They're Turning Old Silos Into Cash

"We buy concrete stave silos."

That's an ad we spotted recently in the back of a farm publication. We decided to find out what an old silo is worth.

We found out that getting a good price is tough. "We're hardly paying anything for cement stave silos unless they are in exceptionally good condition," says Fred Gorgenson, co-owner of Midwest Silo. "They have to be very clean, not coated in rust or with a rusty roof."

Buyers of used silos want them to look new, he points out. He also stresses that they have to be 16 by 60-ft. or bigger to be worth taking down.

Size is important with used Harvestore silos, too. Frank Possessky is the president of Penn Jersey Products, the largest independent Harvestore dealer in North America. "Years ago, the average dairy herd was 50 to 60. Now it's 100 head and more," he points out. "The demand in silos new and used is for 20 by 80-ft. and larger. There is very little demand for

smaller ones."

Penn Jersey will pay \$5,000 to \$10,000 for a silo with loader, depending on size, condition and location. Size is equally important for Slurrystores, though the market is much better than for silos. Government regulations on manure storage are driving more livestock operators to above-ground seasonal storage.

Both men warn farmers to be very careful should they find a buyer for a silo of any kind. "The biggest concern is insurance, both liability and workers comp," says Gorgenson.

"Insist on seeing a certificate of insurance from whoever you are doing business with," says Possessky. "If you have a guy working on your farm without worker's compensation and one of his employees gets hurt, you are actually liable. And be sure you get paid for the structure before they turn a single bolt."

Buying a used silo can be equally tricky, especially if it's a Harvestore, he adds.

"Some guys are using them as conventional silos, putting holes in them and top unloaders," warns Possessky. "They were not designed to be used that way."

Even putting up a used Harvestore for its traditional bottom unloader use can be tricky, he says. "Both the concentricity of the structure, that is the circle, and the level floor are measured in hundredths of an inch," says Possessky. "Once the concrete is poured, you can't fix it. A lot of guys have been misled on used structures. How they are put up can affect the integrity of the structure and its ability to unload."

Brand can make a big difference in stave silos, advises Gorgenson. In his area, he says his own Midwest brand is pretty good, as are Rochester brand staves, although as they get older, they can get weaker. He says Madison is a very good brand, but it should never be put under ground.

"Know what brand is being offered and check the staves over," says Gorgenson. "Deal with a reputable firm that has been in business for a long time and has certain standards they go by."

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Photo shows Penn Jersey workers putting up a used 25 by 80-ft. Harvestore.

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"Slaughter House On Wheels"

A slaughtering facility on wheels is making it easier for some California organic and grass-fed beef producers to tap into specialty markets directly.

"We fit real well into the 'buy fresh, buy local' statewide campaign here," says rancher George Work of San Miguel, Calif

Government grants totaling \$188,750 were used by the "Central Coast Home Grown Meat Alliance" to put the mobile processor together and to pay for training, surveys and producer education in Obispo and Monterey counties.

"There are about 50 people in all who are interested in joining the alliance or forming a co-operative," Work explains. "All of those details are currently being worked out."

The group had the custom-designed, 26-ft.-long gooseneck unit built for them by Featherlight Trailers. The portable butcher shop has an interior height of 10 ft. 6 in. Cattle are slaughtered in the unit but cutting and wrapping are done elsewhere.

The plant is completely self-sufficient, generating its own electricity with a 10KW generator. It carries its own water and provides on-board chilling and storage space for carcasses (up to 10 steers, 40 lambs, or 20 hogs.)

The rig allows partners in the project to keep their cattle on the farm right up until slaughter, never threatening their organic status, and giving them more control into how humanely the animals are handled. Not needing to transport them lowers their stress, and improves meat quality, they say.

According to Work, the unit is currently waiting for USDA inspection and approval, and the assignment of a meat inspector.

This mobile slaughter facility was modeled after one established earlier by a farmers' co-op at Lopez Island, Wash.

The killing occurs outside the trailer. Then an electric winch lifts the animal into an open-sided, metal cradle where it is skinned and gutted. Offal is collected in a tractor front-end loader to be composted on the farm.

Work says the unit can be used to slaughter five beef cattle per day and four



Portable slaughter house has an interior height of 10 ft. 6 in. Cattle are skinned and gutted inside but cutting and wrapping are done elsewhere.



Unit carries its own water and provides onboard chilling and storage space for carcasses.

times as many sheep or two times as many hogs.

Both a butcher and a USDA meat inspector travels with the unit from farm to farm. Once the freshly slaughtered meat has been stamped with the USDA label, producers may sell it direct to grocery stores and restaurants, or take it to a USDA-certified processing plant to have it cut and wrapped, before selling directly to consumers.

Ranchers expect to increase their net income by cutting out the retail middlemen and earn premium prices for their product.

The USDA pays for inspection, but there is a fee for carcass grading. A fee schedule for the on-farm slaughtering service has not yet heen set

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Pricing for a first-time item is tough, says Greg Lillo, who has to create new dies for each product he makes.

He Turns Tin Into "Gold"

A Minnesota custom metal fabricator has found a way to cash in on the antique tractor craze by launching a full-time business called Midwest Tractor Tin to produce hard-to-find sheet metal parts.

"I was working in a sheet metal shop when a guy with a Massey Harris 101 Super came in and asked me to make a grill and louvered panels for it," recalls Greg Lillo. "Before I knew it, I had a year and half of work built up with no advertising. I only went to a couple of shows. Now I have parts all over the U.S. I even built a Hart Parr tool box for a guy in Germany."

The toughest thing about turning tin into "gold" is pricing, says Lillo. While some requests are very straightforward, for first-time parts he often has to make his own dies. Once they are made, he can use them for future orders for the same piece. It's pricing the first piece that's tough.

"An order for Massey Harris grills and panels took four months just to make the dies and complete the order," recalls Lillo. "Some stuff, you have to make a dozen sets just to pay for the jigs and dies you need to make one."

Lillo has worked on 12 makes of tractors, 58 separate models and 126 different parts. He now has plasma cutters, welders for aluminum and stainless steel, and even a 10-ft. break.

"I haven't had a part yet that I couldn't make," he says. "There have been quite a few parts I haven't made any money on yet, though"

Lillo estimates that in the 2 1/2 years he has been doing tractor parts full time, he has

built up an inventory of \$50,000 in dies and another \$1,000 in reference books.

His die inventory is opening up new doors for his business. He is trying to do more quantities of parts - such as hoods selling them in bulk to antique tractor supply companies.

A big key to the business is quality. "I keep a metal dumpster outside the shop," he explains. "If a part isn't perfect, it goes in the dumpster. I build it the way I would like to buy it."

The results often lead to more business. Lillo tells about one of his first Hart Parr customers who wanted to do his own fenders, but have Lillo do the hood. After he put on Lillo's hood, the fenders looked bad in comparison, so he had Lillo do them, too.

Currently, he is booked about 9 to 12 months out, but sometimes he gets multiple requests for the same part. Then he just does both. Recently that happened with a 2132 Twin City, predecessor to Minneapolis Moline. He was geared up to do one when he got a request for the same part from another customer. To do a part for the first time, he carefully measures the part to be reproduced. Once it is finished, he will try to find a similar tractor nearby and try it out.

"The nice thing is seeing a tractor at a show and seeing parts on it that I made," says Lillo.

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