Money-Making Ideas To Boost Farm Income



The Tetzner's on-farm dairy store carries milk and ice cream produced on the farm.

"Self Serve" On-Farm Dairy Store

The Tetzner family dairy relies on the honor system at their on-farm store near Washburn, Wis. While today they do use security cameras, people still help themselves and pay accordingly.

"People are used to coming in, putting their names on an envelope, putting the cash inside, and getting the products they need," says Jackie Tetzner. "We don't sell enough at the store to pay someone to run a cash register."

Tetzner jokes that one reason the honor system works so well is that they don't advertise the store. Most customers are long term or word-of-mouth.

"Most people are honest," adds Tetzner. "We have city people drive up here because they love to stop by."

The on-farm store carries milk and ice cream produced on the farm, as well as cheese and other dairy products produced elsewhere. It is only one outlet for the milk produced by the farm's 60+ cows. About half the milk goes to an NFO plant. The rest of the milk and ice cream is sold to stores in the area.

"At one time we sold about 3/4 of our milk locally," says Tetzner. "However, families are smaller, and people drink less milk."

Farm gate sales are nothing new for the family. They started a bottled milk delivery route in 1920 and also filled bottles for customers who stopped by the farm. A processing plant was built on the farm in 1976, followed by an ice cream machine in



The store also carries cheese and other dairy products produced elsewhere. Customers are on the honor system.

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The latest technology that they've added doesn't affect end products, but it does affect the Tetzners. They have installed a robotic milker.

"It has made our quality of life so much better," says Tetzner.

She says that they could increase the herd size, given the demand for their product. "We like it where we are now," she says. "We are at a point where we only have one non-family employee."

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"Fibershed" Brings Producers Together With Consumers

If you produce or process wool or other natural fibers, you might want to consider setting up an organization like Fibershed, a California non-profit, that's putting more money into the pockets of fiber producers and processors.

"We are working to improve the economic conditions for producers," says Rebecca Burgess, Fibershed.

Producers include farmers and ranchers, designers, weavers, knitters, mill owners, dyers, clothing makers and more. The 130+ members of Fibershed stretch across 19 counties in northern and central California. Their goal is to build relationships among members and with the end consumer. They do so through special events, workshops, education, research and promotion.

A comprehensive website shares what Fibershed is doing, but more importantly, is filled with stories about members and what they are doing. A visitor to the site can select a fiber or other area of interest and connect to people involved.

The organization grew out of an effort by Burgess to wear clothes for a year whose fibers, dyes and labor was sourced within 150 miles of her. She discovered lots of producers and material and specialty items being made, but not a lot of everyday clothing. She began bringing people with knitting machines and looms together with natural fiber producers.

"We wanted to connect people, but there were a lot of gaps to fill. A lot of cottage industry folk wanted to work with farmers and ranchers, and I brought them together," says Burgess.

One of the people Burgess first contacted was Robin Lynde. A Jacob's sheep breeder, Lynde also does spinning, knitting and weaving. She has an on-farm shop and puts on spinning, weaving and dyeing classes at the farm and off the farm. She understood the need to connect and appreciated Burgess wanting to help her.

"A lot of people raise sheep, but may not know what to do with the wool," says Lynde, who is a board member of Fibershed. "Rebecca recognized that we make great products, and we need to share that with others. Her ability to connect people is vital."

Thanks to Fibershed, outdoor product company The North Face is making a product



Rebecca Burgess brings people with knitting machines and looms together with natural fiber producers.

from local fiber. On a smaller scale, Burgess brings clothing designers together with wool producers like Lynde, dye makers and other fiber workers. She and her staff help put on workshops and events to build awareness and increase connections between workers and consumers.

"As small producers we can't compete with Walmart," says Lynde. "We need to help people understand that they may have to pay a little more, but look at what they'll get in terms of personal attention and quality products."

The one thing the non-profit can't do is sell product. However, members of Fibershed have recently formed a co-op with an online presence.

"We will have a website where consumers can go and order yarn from one member, a hat from another, and a rug from someone else," says Lynde. "They'll be able to buy everything Fibershed has been promoting. The website will help reach new consumers."

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To Boost Prices, Sell Yourself!

Set a profitable price, find customers who will pay it, and then build a relationship with them, advises Charlotte Smith, market guru for thousands of small farmers. Smith got into business when she started Champoeg Creamery with 3 cows, selling raw milk.

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Knowing what to charge and doing so made it possible for Smith to expand to 75 acres and achieve yearly sales of 40 hogs, 30 beef cattle, and 1,000 chickens, plus turkeys at Thanksgiving.

"Farmers would come to me and asked why they were selling at half the price I did, and I had a waiting list. I realized no one with a farming background was teaching farmers how to sell direct to consumers."

Smith spent 2014 putting together 3 Cow Marketing, an online marketing program that she updates yearly. She also goes to conferences to speak and puts on workshops. In 2017 she published a book, "Farm Marketing from the Heart."

A key component of the course and her work includes social media and how to use it to sell products. She also uses it to stay in touch with her students, sending emails, posting to Facebook, and to Instagram.

"The signature course is 5 weeks, where we meet in a private Facebook group with training on video," says Smith.

It doesn't end there. Smith's Facebook page is filled with exchanges between her and students, as well the other 4,700 group members. She also offers 4 introductory courses at no cost with sign up on the website. They are full of valuable information on true costs, profitable pricing and promotion. Profitable pricing is key. It's why she charges her customers \$30 per gallon for her raw milk.

"My price is based on costs, a fair wage

and taxes," says Smith. "I've been in business for 10 years, while others who don't charge close to what I do close their doors in a year. Our customers can find milk for half what we charge, but they come back because mine is cleaner and tastes better...and I'm still in business."

Smith knows the personal cost of not making it farming. While in high school she watched her family farm go bankrupt. Years later she brought that experience to her own farming operation, building a business based on customer relationships.

"What I teach is that there is no competition when you market based on relationships," says Smith.

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Charlotte Smith puts on workshops and uses social media to teach farmers how to sell direct to consumers.

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