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Alternative Farm Enterprises – Agritourism Success Stories

Pasture-Fed Broilers, Free-Range Eggs, and Veal

Interview with Lilly and David Smith, Springfield Farm,
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What is the history of your farm and farming experience?

This farm has been in our family since the early 1700's. It was originally part of a 5,000- to 10,000-acre farm granted by the King of England. My great grandfather was deeded this current farm (65 acres) in the mid-1800's. I grew up here. The farm has been leased since my Dad retired.

Describe the alternative enterprise in which you are presently engaged.

My wife Lilly and I raise pasture-fed chicken broilers using the Joel Salatin cage method. We also produce pastured free-range eggs and pink veal. We have a few ducks, geese, and a pair of peacocks for scenery.

What made you decide to go into the present alternative enterprise(s)?

I wanted to make this farm profitable again, and alternative enterprises are the only way this is possible. The farm is not big enough for us to make a living on corn, wheat and beans. We tried a vegetable garden the first year, about one-half acre. Everybody was doing that, and the work is very hard and time consuming. So I investigated and researched what small-scale enterprises were not being done in this area. Entrepreneurs had greenhouses, U-Pick, and forestry, etc. So I ended up with chickens and pink veal.

How did you make the transition?

I retired from the Army after a 23-year career and retired again after 13 more years in corporate

America. In 1999, I started going to meetings and conferences, subscribed to magazines, went to on-farm workshops, researched the library and the Internet, visited other small farm entrepreneurs, and talked to a lot of neighbors and local farmers alike. We started with 75 layers, a few broilers, and four veal calves. Word of mouth sold the broilers and calves before they were ready for market. We were selling the eggs locally from the farm and through the Community Supported Agriculture (CSA) venture of a neighbor. Then we met a chef who wanted to buy eggs for his restaurant. By January 2000, we had four regular customers buying 200 dozen eggs a week and six more restaurants waiting until our new layers started producing. In 2000 we have 10 veal calves, 1,000 layers, and 225 broilers.

Describe your decisionmaking process.

We do not have a formal business plan. My industry experience was in planning, production, and marketing. As a result, the business plan is in our heads. The demand far exceeds the supply, so this has delayed formal planning. We are investigating other alternative enterprises.

How do you obtain financing?

We have been able to provide all of our own financing. If we don't have the money to buy something, we wait until we do.

What do you charge for your products?

We sell small eggs for \$1.50 a dozen and large/jumbo eggs for \$2.00, mostly to restaurants.

We sell pastured chicken for \$2.50 a pound and pink veal for up to \$9.60 a pound wrapped weight. We could charge more, but we are making a good profit.

What production methods do you use?

I went to the ACRES-sponsored Joel Salatin workshop in July 1999 to study his pasture-fed operations and marketing techniques. Joel advised that your labor requirement should not exceed 6 hours per day in order to leave adequate time for marketing, management, and other farm work. Our labor requirement for the livestock and poultry we have now is 28 hours per week.

What kind of modifications did you have to make at the farm?

We remodeled the farmhouse, built a caged house and brooder house, and added refrigerators and now recently a walk-in cooler.

What went wrong? and Why? How did you correct the situation?

The veal calves had diarrhea and pneumonia the first year (we lost one), and we had to nurse them back to health. After I discussed my problem with a local rotational grazing and seasonal grazing dairy farmer using the New Zealand method—feeding the calves with a nipple attached to a hose in a barrel. The barrel is seldom cleaned, which allows bacteria to develop and the calves to become naturally immune, thus eliminating the pneumonia. The feeding of milk through the sucking of the nipples generates saliva, which is a natural antacid for the calf, which eliminated the diarrhea.

What went right? and Why? How did you build on your success?

I selected the right enterprises, and they are growing by themselves at this time. Word of mouth has sold everything that we have been able to produce. We have a nursery, so as soon as a chicken gets sick it is taken to the infirmary.

What would you have done differently?

Nothing.

Where do you plan to go from here?

We have discussed these enterprises with our daughters. One said that her husband is considering early military separation to become a partner. Another daughter's husband is a doctor, and he is thinking about quitting and also becoming a partner. Our plan for the year 2001 is to have 1,500 layers, as many as 13,000 broilers, and 25 pink vealers. This should gross us over \$250,000, which would yield a profit of over 50 percent. We plan to produce pastured chickens for restaurants on a 12-month basis. This means we will need freezers and equipment to properly prepare and store the chicken for the winter months. I am also in the process of getting the farm organically certified by Maryland.

What would be the five most important pieces of advice you would give other farmers considering an alternative enterprise?

1. Learn how to market, the most important aspect of success. No customers = no sales
2. Know your limitations
3. Balance financing and overhead with income
4. Limit yourself to 6 hours per day on production
5. Become an involved observer of your animals so you can immediately spot needed corrections

How did you handle the liability concern?

We have a standard farm rider on our homeowner's policy. By year's end, we will have a company policy as a part of our incorporation process.

Do you mind sharing your promotional material?

We send out a newsletter to our customers at the beginning of the year. I have visited some restaurants and given them a few dozen free eggs. Otherwise, we have a roadside sign and rely on word of mouth. We do supply eggs to our

neighbor's 30-member CSA subscription customers for 25 weeks during the year.

What do you dislike the most and like the most?

We especially like being on the farm, working with the animals and telling visitors about our activities. If there is anything we like least, it would probably be the time it takes to clean and grade the eggs.

What groups or organizations do you belong to, and what presentations have you made?

We joined the Pennsylvania Association for Sustainable Agriculture (PASA), The American Pastured Poultry Association, Chesapeake Association for Sustainable Agriculture-Future Harvest (CASA), and ACRES. We order "Small Farm Today" in addition to the organization publications. I will be speaking at the Future Harvest workshop in January 2001.

What conservation and education activities do you have on the farm?

We overseeded a 15-acre pasture with a no-till drill that we rented from the Soil and Water Conservation District. I am in the process of getting the farm organically certified by Maryland and working with the USDA-FSA and NRCS to improve the pond and creek and better understand the soil characteristics of the farm.

Are you willing to share your information?

Yes!

Do you want additional information? For more success stories and other information, see the website:

<http://www.nrcs.usda.gov/technical/RESS/>

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