Nebraska's Farmstead First Talks About Challenges Of Starting A Cheese Operation, From Initial Research To Hiring Consultant

Lincoln, NE—A pioneering Nebraska farmstead cheese operation isn't afraid to talk openly about the challenges of starting up, emphasizing the significance of taking on a consultant during product development and the initial processing phase.

Farmstead First is a cooperative venture between Charuth Van Beuzekom-Loth and Krista Dittman. Van Beuzekom-Loth owns Shadow-Brook Farm's Dutch Girl Creamery, a 100-head goat dairy, and Dittman operates nearby Branched Oak Farm, a 43-head cow's milk dairy farm. The farms are within a half-hour drive of each other.

Van Beuzekom-Loth and Dittman met through connections with the Nebraska Sustainable Ag Society. Van Beuzekom-Loth started her organic vegetable farm in 1996, and Dittman received certification for her grass-based organic dairy in 2007.

"People kept telling us 'plan bigger.' But we would say we wanted to remain small. They were right."

—Krista Dittman

Over dinner one night in winter 2003, the woman decided to enter the farmstead cheesemaking business. They applied for two different grants: a Sustainable Agriculture Research & Education (SARE) grant and USDA's Value-Added Producer Grant (VAPG).

Grant funding helped Van Beuzekom-Loth and Dittman educate themselves about the business and mechanics of cheesemaking.

In 2004, Van Beuzekom-Loth and Dittman began researching other small-scale farmstead operations and by 2009, had visited 28 cheesemaking facilities in six states. They also made trips abroad to Italy and Holland for further research.

The trips were invaluable, helping the partners make important start-up decisions like how big the facility should be, if they should consider a mobile cheese plant, and what equipment will be needed.

Both also completed cheese courses at Cal Poly, University of Wisconsin-Madison, and UW-River Falls.

The pair have also attended and presented at cheesemaking workshops during annual conferences for the Pennsylvania Association for Sustainable Agriculture and the Nebraska Sustainable Ag Society.

Van Beuzekom-Loth and Dittman began making cheese in May 2006, using rented space at the University of Nebraska-Lincoln's pilot plant. Production was limited, but allowed the women to start selling their cheese.

"We started with fast, soft cheeses like chevre and Quark with fairly high yield," Van Beuzekom-Loth said.

But eventually the pair realized the necessity of their own space, and created a 12-foot by 16-foot cheese room on-site at ShadowBrook Farm fashioned after Chase Hill Farm of Warwick, MA, which features an 11foot by 13-foot make room.

Prior to construction, Van Beuzekom-Loth and Dittman investigated the possibility of a mobile cheese unit able to move from one farm to the other, but quickly realized that production would overlap.

"If we're both making cheese twice a week, cheese drains, it needs to be salted, brined and dried, and it takes four or five days before it's ready for the aging facility," Van Beuzekom-Loth said.

Farmstead First made its inaugural batch of cheese in its own facility in fall of 2006. Last year, the company used about 3,400 gallons of goat's milk and 5,500 gallons of cow's milk.

Using milk from Dittman's organic Jersey herd, she makes Quark and Camembert, raw milk Gouda flavored with dill, cumin and nettle leaves; Mozzarella, curds and seasonal cheeses. Van Beuzekom-Loth manufactures a number of seasonal goat's milk varieties.

Wanting their products to look artisan, Van Beuzekom-Loth and Dittman decided against vacuum-sealing their cheese, instead wrapping their cheese in two-ply paper imported from Holland and France.

The majority of cheese is sold in the local Omaha-Lincoln foodshed, and most recently items have been shipped to Chicago, Denver, Kansas City and Seattle.

In the high-end gourmet shops, a pound of Farmstead First cheese sells for roughly \$26 per pound. While more customers are becoming educated about farmstead cheese and willing to pay for quality, others still balk at the higher price.

The Omaha community is much more metropolitan, Dittman said. Other more remote Nebraska locations aren't used to spending that kind of money on cheese.

In rural areas, soft varieties like Quark, Feta and chevre that are more moderately priced are big sellers. High dollar, aged cheeses are popular in larger cities, Van Beuzekom-Loth said.

Nebraska has only a small handful of cheese makers – another farmstead operation making block cheeses such as Cheddar and Monterey Jack, and a goat's milk producer almost ready to open its doors – with talk of others slated to start.

"I think in the near future, there's going to be more artisan and farmstead cheese being produced in Nebraska," Van Beuzekom-Loth said.



Pictured from left: Krista Dittman of Branched Oak Farm and Charuth Van Beuzekom-Loth of ShadowBrook Farm's Dutch Girl Creamery, co-owners of Farmstead First cheese venture.

Harnessing enough energy to run a cheese business has been the biggest challenger, according to Van Beuzekom-Loth, who has help from one full-time employee and two part-time helpers. Dittman also has one full-time employee.

You also need to give yourself enough time to start-up, Van Beuzekom-Loth said.

"Over and over again we hear people say 'I'm going to be up and running this fall' and we just look at ourselves and say 'Oh, those poor people,'" she said. "It always takes at least six months longer than you think it's going to take."

The time needed to turn a profit is also longer than expected, Dittman said. This year was a breakthrough for Farmstead First; next year we'll hopefully have the volume, products and logistics ironed out enough to be in the black.

It also takes so much "soul right." energy," Dittman added. Wh

"I think one of the longest roads is the one between your head and your hand," she said.

Another thing people don't think about is the cost of hooking everything up, Van Beuzekom-Loth said. They've figured out how to get the equipment – boilers, pasteurizers, vats – but hiring plumbers and electricians to hook it all up takes a tremendous amount of money.

An important lesson the women learned this year was the importance of hiring a cheese consultant.

"I really wish we would have ponied up the money earlier," Dittman said. "All in all, it would have made it cheaper, because you throw out a lot of cheese when you're learning."

Cheese consultant Neville McNaughton visited Farmstead First in 2009, and helped the company fine-tune its cheesemaking.

"Overall, I now have a better view of the whole process from a control point," Dittman said.

I remember one line he said that really sunk in, Van Beuzekom-Loth said.

"He said, 'You have to be steering the ship, so to speak.' Don't just follow a recipe step-by-step. You really need to know the end you're trying to reach, and steer towards that end,"

Harnessing enough energy to run she said. "That really made sense to cheese business has been the me."

Milk supply is yet another issue for consideration – particularly cheese makers using goat's milk.

"They think 'I can do this with 30 goats,' but a lot of the farms I've talked to start with a maximum of 80 goats and realize they can't make money at that rate. So they end doubling the herd. If you don't plan for the largest possible scenario, you might have to rebuild things as you grow," Van Beuzekom-Loth said.

While researching, cheese makers need to see what maximum production will look like, she continued. You can start at a lower scale while having room to grow into a larger facility.

"We really struggle with that. People kept telling us 'plan bigger.' But we would say we wanted to remain small," Dittman said. "They were right"

What I'm realizing now is that I don't want to have as many animals as I should have, Van Beuzekom-Loth said.

"Neville said we needed at least 200 goats to be profitable, and I don't want to do that," she said. "I don't feel our land base can hold many animals, I don't think it's healthy for them, and so what I'm hoping is that more goat dairies start up in our area so I can purchase milk."

"I see that as a way of filling out the milk volume and also as a way to make enough cheese to make it a viable business," she continued.

Dittman already extends her cheesemaking season by almost three months with buying additional milk.

"At the same time, I want to remain farmstead. The best cheese I make is with milk from my own animals," Dittman said.

And then you have to create different lines if you're buying other milk because you can't call it 'farmstead,' Van Beuzekom-Loth added.

"It's a quality issue when you have control over your own animals – especially when you're making raw milk cheese. It becomes mandatory to have the highest quality, freshest milk," she said.

For more details, visit <u>www.farm-steadfirst.com</u>. Γ