Got “Local” Milk? A dairy family focuses on planning, quality and service

Two years ago Leroy Shatto, a dairy farmer from Osborn, MO, had a major business decision to make. Either yield to a dairy producer cooperative and operate a bigger farm, or get out of the dairy business. Innovative thinking led the Shatto family to a different decision. Instead, of working to provide the coop with a product, the third generation family farm decided to be in business for themselves.

Today, Shatto Milk Company processes and distributes milk from its 400-acre farm. Complete with new machinery and a creamery facility, Shatto is leading the trend of Missouri farmers transitioning into highly visible farm operations that deal directly with consumers.

Bottled in old-style glass bottles with the company’s chic logo and emblazoned with descriptive tag lines like ‘Family,’ ‘Fresh,’ ‘Yummy’ and ‘Local,’ Shatto milk literally speaks to consumers. It speaks so well the family had a difficult time meeting consumer demand for their product.

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Ingredients for Success

The Shatto Milk Company is a source of inspiration for family farms across the state. However, success doesn’t happen just by chance. Many farms have great product ideas but an inability to implement them successfully on the farm. Farmers can learn a great deal from the Shatto’s family focus on planning, quality and service.

Planning and Preparation: The Shatto family researched the market for bottled milk in their area and worked with a consultant to identify the needed equipment to produce the desired product. Some of this initial work was supported by a grant from the Missouri Agriculture and Small Business Development Authority. The key is to know what the market demand is for a product by performing a market feasibility study, and to determine if your farm can actually produce the product that is needed by doing a technical feasibility study.

Focus on Quality: The Shatto family has rigorous quality standards and has the technical expertise and equipment to produce a quality product. By building personal relationships with customers, the Shatto family can also constantly improve their milk products based on consumer feedback. The best place to get feedback on your product is from the people who are actually buying it. Criticism of your product is not a personal attack on you, but an important way to find out how to improve your product.

Great Customer Service: Customer service requires constant attention to the small details that make up great service. The Shatto family constantly restocks shelves, making sure the milk is the freshest and that stores stocking their product will receive only praise and no complaints. The business employs enough delivery staff to make sure supply is consistent and that the business responds promptly to any problems. Many farmers make the mistake of producing a great product but fail to provide needed customer service – such as being regularly available by phone, resolving product problems immediately, consistently calling on clients to monitor their satisfaction with your product, and thanking customers for their business.
After adding a few more cattle to their dairy herd, the family now feels capable of meeting current demand for the freshest dairy product available to local consumers. A member of the Shatto family or one of their four delivery people now constantly restock store shelves Monday through Saturday.

To ensure consumers get the freshest milk products available, milk moves from the company’s bulk tanks, is pasteurized and put into bottles before shipping on refrigerated distribution trucks. Within 24 hours of milking, the product is distributed to grocery stores in St. Joseph, the Kansas City metro area, and retailers near the farm.

The company owns its own delivery trucks to ensure products are handled with the utmost care. This careful oversight guarantees consumers a superior quality dairy product. Individual attention to area retailers allows the company to stay connected to consumers’ wants and demands. Building personal relationships with store managers leads to discussing new opportunities for product development and placement. Knowing dairy department managers and even the dock loading staff provides better insight into what consumers want.

While making deliveries, the Shatto family and their employees have the opportunity to interact directly with consumers. “We hear people talking about our products a lot as we stock shelves and visit stores,” says Shatto. “And we truly enjoy sharing our local family dairy farm with the people.” To share their farming experience with consumers, they invite the public to tour their milk processing facility. On any given day you will find both adults and children learning the ins and outs of a milking parlor, discussing where you get glass milk bottles from, and even learning how to milk a cow.

This family owned business can focus on personal attention to consumers and retailers, as well as providing consumers with a superior, fresh quality dairy product. Because of these principles, the Shatto family dairy has found new life and new potential. Leroy is proud of the decision he made, for his family and his farm.

This article was written by Crystal Weber, Community Development Specialist, University of Missouri Extension, West Central Region.

People That Help Sustain The CFSSA Program

NEW: We will begin sharing with our readers brief profiles of our board members.

Melinda Hemmelgarn

Melinda is a registered dietitian with expertise in diet, health and communications. To reduce the incidence of childhood obesity, Melinda is currently conducting statewide media literacy education trainings for health educators, care providers, and the medical community through the Missouri Department of Health and Senior Services. She writes a weekly column for the Columbia Daily Tribune, titled, “Food Sleuth,” that reaches 45,000 readers each week and conducts several monthly radio interviews, reaching thousands more, covering assorted areas of diet and health. Hemmelgarn also is a consultant to the Robert Wood Johnson Active Living by Design project grant in Columbia, Mo. Hemmelgarn is actively strengthening the community’s commitment towards working together for change through local coalitions and committees to change school food policy and improve child nutrition.

Melinda is a real asset to our Stakeholder Advisory Board; her contributions to the board have been highly enlightening and educational and she has a passion for sustainable agriculture and community food systems. Thank you, Melinda, for your support to sustainable agriculture and local food systems.

Fred Martz

Fred Martz grew up on a dairy farm in Northeastern Indiana. He was trained in Animal Science (Dairy Cattle Nutrition) at Purdue University and came to the University of Missouri in 1961. He gained a strong interest in forage and pasture production/utilization at an early age and has always maintained that interest. His career has included 20 years teaching and research in Dairy Science, 8 years with ARS as a bench scientist studying calcium and phosphorus metabolism in dairy cows and 7 years as Superintendent of the UM Forage Systems Research Center, Linneus, Missouri. Professor Emeritus Martz says, “One of the things I wanted to do after retirement was to be active in the Sustainable Agriculture Movement”. He is currently working with colleagues in Rural Sociology to develop a new beginning course, Sustainable Agriculture: Theory and Practice. Professor Martz also farms a 450 acre grazing beef farm with his son, northeast of Columbia, MO.

Fred has been a board member and a pillar for our program since the beginning. He has been on the long haul with us and has a commitment to sustainable agriculture without parallel. Thank you, Fred, for so many years of championing sustainable agriculture.
CFSSA Announces Upcoming Workshops

The Community Food Systems and Sustainable Agriculture Program continues providing services to Latino farmers and educators interested in working with Latinos in rural areas and employers of Latino agricultural workers. Please check into the following workshops: For more information or to register for the workshops contact Jose Garcia at GarciaJL@missouri.edu or 573-884-3794. A dinner meal and materials will be provided for each workshop.

**February 6th, 5:00 pm-7:30 p.m. 515 South Kentucky Ave., Sedalia, MO**

Human Risk Management workshop for employers and potential employers of Latino agricultural workers. Human Resource Managers of Food Processing plants and farmers who use Latino workers are invited to participate.

**February 13th, 5:00-8:00 pm. Lexington, MO**

Risk Management in Production & Marketing workshop for Latino farmers This bilingual workshop is open to all who are interested in increasing their awareness and skills in managing risks on their farms.

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New Processing Law Now In Effect

The new Jams, Jellies and Honey law is officially in effect. As of August 28, the State of Missouri has a new law that allows our county health departments to provide certain exemptions for farmers markets and non-profit fundraising ventures. If you are processing jam, jelly, honey, or other non-hazardous products for sale, you will not necessarily need to make them in a certified kitchen. However, there are certain restrictions and guidelines you must follow:

- You have to be selling it yourself.
- You can not wholesale it to a store. It must be sold from your home, a roadside stand or a farmers market.
- A sign and label must be clearly visible stating this product was made in an uncertified kitchen. The label must also contain your name, address, and name and ingredients of the product.
- These exemptions only apply to households with sales under $30,000/ year of their product.

You still need to follow all sanitation regulations; however, you may not be required to be inspected.

Not all counties will take advantage of these exemptions, however. Therefore, you will need to contact your local Department of Health and Senior Services. County Heath Inspectors, who are found in the Environmental Health department, can tell you which home prepared foods may be sold. If your county follows state guidelines, most likely you will be able to take advantage of these exemptions. If your county or city has their own guidelines, chances are pretty good that the exemptions will not apply to you. But it can’t hurt to check.

Another consideration is that if you process in your home county, but sell in another, you will need to also follow the rules of the county where you sell. So if you are exempt in your county, you may not be where you are selling.

At the MAEH (Missouri Association for Environmental Health) conference this past fall there was a heated discussion on this new rule. The participants were very concerned about the sanitation of private (home) kitchens.

Now, many people buy from a farmers’ market so they can get fresh home-grown or homemade food from familiar people that they know and trust. They trust that the food is fresh, they trust that the food is stored properly and most of all, they trust that the food is grown in sanitary conditions.

If you would like to encourage your county to adopt these exemptions (and they currently are not), get a petition together and see if a county organization, such as the local chapter of the Beekeepers association, could work with the department to regulate themselves. That way canning in unsanitary home kitchens can be avoided and those processing in their kitchens will be up to date on the most current sanitary conditions. There is a chance that those who govern your health department do not understand the benefits this law can bring to the local economy or to small growers in the state.

The new law is: 261.241RSMO and 196.291RSMO.

**Again: Before assuming anything, contact your local office of Health and Senior Services!!**

*This article was written by Tricia Wagner, Community Development Specialist, University of Missouri Extension, Jefferson County*
Each month during the 2005-2006 school year the Community Food Systems & Sustainable Agriculture Program will feature speakers on important topics at our “What’s New in Sustainable Food and Farming” series. These informal seminars are held on the UMC campus from 11:45 a.m.-1:00 p.m. (*unless otherwise noted) and refreshments are provided.

Monday, January 30th—Memorial Union, N201/202, 11:45 am—1:00 pm
Former Lt. Governor Joe Maxwell will address Agriculture of the Middle.

Tuesday, February 21st—Memorial Union, S203, 11:45 am—1:00 pm
Rhonda Perry of the Missouri Rural Crisis Center will give a panel presentation on the 207 Farm Bill and Sustainable Agriculture. We are waiting for confirmation of additional panel members.

Monday, March 20th—Memorial Union, S304, 11:45 am—1:00 pm
Karen Funkenbusch will address the AgrAbility Program and how it relates to sustainable agriculture. AgrAbility is a consumer-driven USDA-funded program that provides vital education, assistance, and support to farmers and ranchers with disabilities.

Copies of most past presentations, our newsletters and many articles may be viewed at agebb.missouri.edu/sustain

Have Questions or Need Information???
Please feel free to contact us:
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Mark Your Calendar

Great Plains Vegetable Conference
Jan. 13-14—St. Joseph, MO
http://extension.missouri.edu/buchanan

Green Hills Farm Project
Annual Winter Seminar
Jan. 21—Linneus, MO
Community Center
(660) 963-2685

Missouri Farmers Union
7th Annual Convention
Jan. 27—28, Innsbrook, MO
info@missourifarmersunion.org

Greenhouse Grower's School
Jan. 31, Columbia, MO 573-882-9631
trinkleind@missouri.edu

MU CAFNR AG SCIENCES WEEK
Jan. 31—Feb 3, Columbia, MO

MO Young Farmers/Young Farm Wives
Annual State Convention
Feb 4-5, Lake Ozark, MO
(573) 751-8467

MO Organic Association Conference
Feb 10, Jefferson City, MO
(660) 427-5555

Specialty Mushroom Production & Marketing Workshop
Feb 17-19, Columbia, MO
www.centerforagroforestry.org

Farmers Exhibition 2006
April 1, Shawnee, KS
13817 Johnson Drive,
Shawnee Civic Centre

April 8, Kansas City, MO
1500 NE 42nd Terrace
St. Pius X High School

North Central Sustainable Agriculture Research & Education (SARE) program National Conference on Sustainable Agriculture
Aug 15-17, Oconomowoc, WI
www.sare.org/ncrsare