

## IDEA

Spring 2005  
NEWS & VIEWS

Initiative for the Development of Entrepreneurs in Agriculture

## Grow your market by asking your customers what they want

A lot of farmers / producers start their operation by selling commodity products. They take the market price offered because that is their customer. Over time some farmers / producers evolve their operations so they can sell (alternative) products as branded or value-added products and garner some of the down stream value. In this IDEA issue we are featuring a farm family from Northern Illinois that has branded their Piedmontese beef and a farm family from Southern Illinois that has replaced their hog operation with a vermiculture (worm castings) business.



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Initiative for the Development of  
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UNIVERSITY OF ILLINOIS  
EXTENSION

College of Agricultural, Consumer and Environmental Sciences

## Heartland Meats – La Salle County

By Kim Tack

John and Pat Sondgeroth, owners of Heartland Meats Inc. ("Winners Of The "2004 Chicago Tribune's Good Eating Award" <http://www.heartlandmeats.com>) operate their direct marketing meat business from the family farm that was established in 1903 outside of Mendota, Illinois. This grain and livestock farm is where they raise and market a specialty breed of beef called Piedmontese.



In August of 2000 Heartland Meats opened for business. They now market from their Meat Market down the road from the farm and sell through farmers markets in Chicago and its suburbs. Last year, 58 percent of Heartland Meat's sales came from farmers markets.

Since August of 2000 they have continually asked their customers what they want and how they could better serve them.

In 2003 they sold product at 649 markets. They were busy! Their plan was to introduce their product to a lot of people, establish a customer base and then focus on the higher volume markets. A round trip from their Mendota farm to Chicago and back is about 125 miles.

Their "Working Smarter" approach was realized by maintaining a customer database on a laptop. During the winter of 2003/2004 they contacted all of their customers to let them know what farmers markets they would be at in 2004. "Our experience has been that it is much easier to keep a customer than get a customer. So with the use of this program, we were able to initially go to the customer then draw them to the market nearest them."

After the 2004 Market season ended they determined that they had attended only 466 markets a reduction of about 28% while maintaining their gross sales volume at about the same level as they had in 2003.

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Another “Working Smarter” idea implemented in 2003 was the decision to start accepting credit card charges at their markets. Since they were selling frozen meat outdoors,



they were typically the last stop for customers, not only because of keeping the product cold but also their products were usually “heavier”. Naturally, because they were the last stop, they frequently heard “I’d get something today but I’m out of money”. They then decided to accept credit cards after listening to the customers. They found a lot would generally upsize their order to make the credit card transaction “worthwhile”. This, in itself, added an estimated 5 percent to their farmer’s markets sales.

One more “Working Smarter” idea that John and Pat shared was how they benefited from joining the: **North American Farmers' Direct Marketing Association (NAFDMA)** <http://www.nafdma.com/Public/AboutUs/>. The NAFDMA is association for family farmers, extension agents, and farmers' market managers to network with each other on the profitability of direct marketing. Members increase their farm income by learning from each other through conferences, farm tours, workshops, newsletters, trade publications and this web site's “Member's only” section. John and Pat feel that joining NAFDMA has been very helpful to them as they have grown their business. In February 2005, they were featured speakers at the 20th Annual NFDMA conference in Boston, Ma.

John and Pat have developed a sustainable branded Piedmontese Beef product that is recognized in the market by listening to their customers.

## Spiker Worm and Casting – Jasper County

Don and Glenda Spiker – established Spiker Worm & Casting in 1998 near Wheeler in Southeastern Illinois. In 1998 they decided to close their 150-sow, farrow to finish hog operation on their 400 acre farm (the original 80 acres of the farm were purchased by Don’s father in 1940) when the hog market crashed and larger farmers over bid them on some of their rented ground. They decided that if they were going to be able to stay on the farm they had to do something completely different from raising hogs. They still maintain their grain operation.

Don started looking on the Internet for alternative enterprises. He found a company in Wisconsin that he thought had a good system for raising worms in a very controlled way. Don commented, “Their system was very labor intensive and they had good support for raising the worms, but they told us it would be easy to sell worms and castings, which it wasn’t.” Worm castings, by the way, are the manure of the worms, which they sell in organic as well as non-organic markets for fertilizer. The Wisconsin company did buy back some worms and castings, but at a price that barely covered their cost of production. Through the years they have tried selling their worms and castings via direct contact and mailings, e-mail and from their web site (<http://www.spikerwormandcasting.com/index.htm>) with limited success.

In 2000 they started looking for other markets and found a person in Florida that was selling some castings and started working with him. Their buyer is well known in the vermiculture industry and has contacts all over the world. Through him they have steadily increased casting sales and are hoping to increase production in the next year or two to be able to bring their youngest son back to the farm full time.

They have found that as part of their marketing program they have to educate people about the benefits that the castings provide over the use of normal fertilizers. They are now providing castings to golf courses, vegetable and flower greenhouses, retail customers and to organic farms across the United States. During the period from 2001 to 2004, they have increased production from 200 to 550 tons per year. In the fall of 2004 the Spikers were awarded a SARE (Sustainable Agriculture Research and Education) Grant to show how to use worm-casting extract to reduce the use of synthetic fertilizers and insecticides in ag production.

To learn more about SARE Grants look at this web site <http://www.sare.org/ncrsare/apply.htm> or call Deborah Cavanaugh-Grant University of Illinois Extension - Research Specialist in Agriculture, Sustainable Agriculture at (217) 968-5512 or e-mail her at [cvnghgrn@uiuc.edu](mailto:cvnghgrn@uiuc.edu) .

Don closed our interview with this comment, “If I can offer one piece of advice to anyone contemplating an alternative enterprise, it is to research the marketing of your products before starting your enterprise. Anyone can produce a product for sale, but it is the marketing that will make your enterprise succeed. Find a niche market for the product you want to produce, start off small, and then increase your production as your market grows. Do not expect to produce full time income from the start of your enterprise.”



# Want to see how others are marketing? Plan to attend a Uof I Farm Tour.

The Agroecology/Sustainable Agriculture Program at the University of Illinois promotes research and provides outreach opportunities of a wide spectrum of alternative farming practices as well as ways to provide an adequate and dependable farm income. This year's schedule of six sustainable agriculture tours sponsored by the program represents variety topics.

"This is the third year that we've offered sustainable ag tours around the state," said Deborah Cavanaugh-Grant, a University of Illinois research specialist who is coordinating the tours. "Illinois has a lot of creative farmers and entrepreneurs who are willing to open up their farms and businesses for a behind-the-scenes look. They are very honest in sharing what has worked for them and what they will never try again. It's a great learning experience."

## The 2005 Farm Tours schedule is:

The first tour is entitled "A Closer Look at Sustainability." It will be held on **Wednesday, May 25** at the Center for Sustainable Community in Stelle, Illinois. The tour will include a look at the community's solar powered telephone company that also provides high speed wireless internet service; the wind mill-supported potable water treatment facility; organic and permaculture oriented gardens; and a lunch prepared with some of Stelle's organically raised foods. For more information about the community, visit [www.CenterForSustainableCommunity.org](http://www.CenterForSustainableCommunity.org).

The second tour is entitled "Organics from Seed to Table" and will take place on **Thursday, June 23** beginning with a presentation about an organic vegetable project at the University of Illinois South Farms and will include a visit to Jon Cherniss' Blue Moon Farm. Intensive organic vegetable production is one of three transitional farming systems being compared in the project at the U of I to determine how differences in management intensity and organic matter inputs affect weeds, soil organic matter, nutrient availability, soil organisms, and the relationship between soil fertility, plant health, and insect/disease pressure.

There will be two tours in July. On **Wednesday, July 13**, "Organic Vegetables, Greens and Herbs Grown in Intensive Beds" will be the top on a visit to Growing Home Farm in Marseilles, Illinois. Growing Home is an organization that trains homeless people in agriculture as part of a job-readiness program. Visitors will see over 30 types of vegetables growing on a certified organic farm, permaculture plantings, bees, vermiculture and

free-range poultry. Tours will also include an emphasis on organic soil fertility methods including cover cropping, under-sowing, rotation and succession planting, compost-making and remineralization. For more information, visit [www.growinghomeinc.org/](http://www.growinghomeinc.org/).

On **Tuesday, July 19**, there will be a tour of QW Farms in Edgewood, Illinois where the topic will be "On-Farm Composting." Issues about on-farm composting will be presented in the morning with a tour of a small scale on-farm composting operation in the afternoon. Composting methods, regulations, marketing, and how composting fits into a nutrient management plan will be discussed. Illinois State University is a co-sponsor for this tour.

On **Friday, August 12** the sustainable ag tour will be held in Sandoval, Illinois at the Lyons Fisheries Prawn Farm for a look at "Illinois Farm-raised Freshwater Prawns." Visitors will experience first-hand how farm-raised freshwater prawns are produced. The tour will include the hatchery, nursery and grow-out ponds as well as live prawns on display.

On **Tuesday, September 13** the tour will begin in Arthur, Illinois at the Arthur Produce Auction Center include lunch at Yoder's Kitchen and conclude at Condil's Great Pumpkin Patch. This tour is entitled, "Marketing Opportunities for Agricultural Entrepreneurs." At the auction center, it will be auction day so visitors will observe how a produce auction works with both buyer and sellers on hand to answer questions. Later, at Condil's Great Pumpkin Patch, the tour will conclude at one of Central Illinois' best examples of agritourism. This tour is co-sponsored by the Illinois Farm Fresh Network.

A small fee will be charged for each tour. Registration at least one week in advance is required. Visit <http://www.aces.uiuc.edu/asap/topics/tours.html> to register and for more details about the tours or contact Deborah Cavanaugh-Grant at (217) 968-5512 or [cvnghgrn@uiuc.edu](mailto:cvnghgrn@uiuc.edu).

The tours are sponsored by the Agroecology/Sustainable Agriculture Program in the College of Agricultural, Consumer and Environmental Sciences at the University of Illinois, the North Central Region Sustainable Agriculture Research and Education (SARE) Professional Development Program and the Illinois Small Farm Task Force.



## How do I find a market for my product?

One way would be is by accessing the University of Illinois Extension MarketMaker website - [www.marketmaker.uiuc.edu](http://www.marketmaker.uiuc.edu)

It has an interactive mapping system that locates businesses and markets of agricultural products in Illinois. At this site you can search a wide variety of Illinois businesses that might be interested in the product you sell. The database lists over 38,000 businesses – processors, wholesalers, and retailers in the food industry. If you need assistance in using the site to market your product, please call Sandy Shetler at 309/792-2500.

## COOL LINKS

**Illinois Specialty Growers Association** - formed in 1989 to improve the coordination and cooperation among our individual associations. ISGA is an umbrella organization for the following affiliated associations: Illinois Herb Association, Illinois Irrigation Association, Illinois State Horticultural Society and Illinois Vegetable Growers Association.

<http://www.specialtygrowers.org/Default.htm>

**Rendleman Orchards** - Alto Pass, Illinois - An example of an Illinois Centennial Farm than has been growing its market for years -<http://www.rendlemanorchards.com/history.html>

**IDEA**-Initiative for the Development of Entrepreneurs in Agriculture-was created by University of Illinois as a statewide initiative. IDEA conducts research, develops educational products, and provides services that encourage farmers to incorporate entrepreneurial strategies which direct their marketing efforts to meeting consumer demand. [web.extension.uiuc.edu/iidea](http://web.extension.uiuc.edu/iidea)