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4-H SUMMER CAMPS



There is still time to sign up for 4-H Summer Camps and Big Red Academic Camps!
 —see pages 5 & 11



Debbie DeFrain of Legacy Dairy



Jisa's Farmstead Cheese produces several flavored cheeses.

Local Dairy Entrepreneurs Are Filling Market Niches

Tom Dorn

UNL Extension Educator

High grain prices have brought about unprecedented increases in land values and cash rental rates and have been seen as a windfall for cash grain producers. The other side of the story, and one that doesn't make the headlines as often, is the negative effect high energy and grain prices have had on the meat animal feeding and dairy industries. I interviewed two dairy producers in southeastern Nebraska who have taken the initiative to develop value-added products to market for consumers. This is their story.

Legacy Dairy and Creamery

Dairy farmers Rex DeFrain and Jerry Bond joined forces in 2007 to produce and sell their own liquid milk products under the brand name Legacy Milk. They presently supply product to 45 grocery stores plus three coffee houses in 14 towns from Omaha to Kearney.

I interviewed Debbie DeFrain at the Legacy Milk bottling plant in Hallam. The following dialog is excerpted from the interview.

Q. Why did you decide to start your own liquid milk company?

A. Our two dairies are both small by today's standards. We milk 120 to 150 cows at the How-de (DeFrain) Dairy near Fairbury and the Bond family dairy milks 60 to 80 cows at their Bonderosa Dairy

near Avoca. We were getting squeezed out by the big dairies that relocated in Nebraska from other states. We simply couldn't survive on the milk price we were being offered and the cost to haul our milk to the milk company was getting so expensive, it was eating up much of potential for profit. We decided to apply for a block grant to start up our own business to fill a niche in the liquid milk market. We received the block grant in 2007 which has made it possible for us to build Legacy Dairy and Creamery in Hallam.

Q. What do you consider to be your market niche?

A. We sell high-quality liquid milk from cows not fed any hormones. Our milk is sold in environmentally-sustainable returnable glass bottles. We believe glass bottles give us many advantages beyond the environmental aspects. Glass does a better job of protecting the milk from oxidation than plastic milk jugs. Milk must stay cold to remain fresh. Our thick glass bottles hold the cold better than plastic when sitting on a pallet in the back of a grocery store waiting to be put in the dairy case. This extends the shelf life of the milk. Large milk companies not only remove butter fat from the raw milk, they remove some of the other milk solids as well. We do not remove any of the milk solids other than butter fat. We are told, our milk tastes better and we believe it is better for you.

Besides selling the usual choices (whole milk, two percent, one percent and skim milk), we have found a market niche with our flavored milk

products. The list includes chocolate, strawberry, root beer, vanilla, cotton candy, monkey milk (banana) and several others. We use only natural flavors. Natural flavors are more expensive than artificial flavors but we are after the higher-end market and you certainly can tell the difference in taste.

Q. Are you marketing all of the milk you produce on your two farms through Legacy Dairy?

A. Yes, our own and more. Lately, we have started buying some milk

from a third small dairy to meet the demand for our products.

Q. What research did you do before deciding to start your business?

A. We got help from Bellevue University with our market research and the College of St. Mary helped us do an economic feasibility study. We have done demos and passed out taste samples at grocery stores. Perhaps the best market research we could have done was to have a sales booth at the 2007 Nebraska State Fair. We sold 4,800 pints of flavored milk in three days before we ran out of product. Some of our best repeat customers were the folks from the other food stands.

Q. Are you looking into producing any new products?

A. Yes, we are exploring the possibility of making cheese, butter and flavored butter.

Q. What three pieces of advice would you give to other entrepreneurs wanting to break into the food market?

A. 1. Go for the high-end market and produce a better quality product than any of your competitors. 2. Diversify or die. 3. Listen to your customers and give the kind of service only small owner-run companies can give.

Jisa Farmstead Cheese

Dave Jisa farms nearly 2,000 acres and operates a 300 head dairy in rural Butler County. Jisa began making and marketing his own brand name



Dave Jisa

cheese a little over three years ago. Jisa Farmstead Cheese can be found in regional Hy-Vee and Bakers supermarkets and is carried by numerous locally-owned grocery stores in southeast Nebraska. I recently interviewed Mr. Jisa on his farm.

Q. How did you become interested in producing cheese?

A. My wife's family has been in the cheese business for many years. Her brother is still running a cheese plant. So I have been somewhat familiar with cheese making for a long time. I had a good friend and mentor when I was about 18 years old and he was about 80.

see Jisa Cheese on page 12



Photos by Tom Dorn

A cream separator (at right) is part of the commercial-sized equipment at Legacy headquarters in Hallam.

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