

**Hickory Hill Milk**

Watson Dorn is cashing in on consumers' desire to buy local products.



Number of cows:	275
Farm size:	243 ha
Average yield:	9,500kg
Somatic cell count:	< 200,000 cells/ml



Watson Dorn



The trucks deliver milk direct to the stores



Tip-top milking routine



Good ventilation helps keep the cows cool



Strict hygiene rules have to be adhered to



The small milk bottling plant

A US-based producer adds a bottling plant to the family dairy

# Do-it-yourself milk marketing

A on-farm bottling plant is helping to secure one dairy business' to secure its share of the dollars that the end consumer spends on milk. And customers are lapping up this locally produced milk.

text **Becky Mills**

Seven years ago Watson Dorn's wife, Lisa, looked to see if the numbers would stack up for on-farm processing. "She said they would," Watson recalls, "But our children were small then." However, the South Carolina-based producer says: "I couldn't get the idea out of my mind."

Three and a half years later, in October of 2008, he read an article about Missouri-based producer/processor Leroy Shatto. "He said there wasn't a day he didn't get a call, letter or e-mail thanking him for his milk." That did it for Watson.

"Bottling went hand in hand with what we were already doing," he explains. Watson and his family, going back to his late grandparents, Marvin and Maysie, his parents, Jim and Marie, and he and Lisa's children, Daniel and Courtney, have always taken pride in the quality of their milk.

Their milk has routinely earned quality awards from their milk co-op. "Plus more and more people want to know where their food is coming from and under what conditions it is produced," he says.

Geoff Benson, economist at the North Carolina State University, agrees. "I think the key to the expansion of on-farm processing is consumer interest in local foods. They want to know the producer and know how the product is made."

While the Dorns are in a fairly isolated area they have two larger cities, with many potential customers, within an hour's drive.

## Bottling plant

Once they committed to the new enterprise they wasted no time in building the bottling plant. By February 2009, cartons of milk were rolling off the line. Now, Watson says he is at 75% of his goal of bottling and selling 22,700 litres of milk each week.

It hasn't been a cheap or easy process. "Economists will tell you that if you start a new business you won't see a dime of profit for the first two years. That is about right," he says.

"A small bottling plant costs at least £193,000. Then you need at least one truck and inventory, cartons, caps, labels, testing equipment, chocolate,

sugar. On and on before you see a dollar."

Labour is another cost. While he is still milking 275 cows, the same as before he built the bottling plant, Watson has gone from five full-time employees to six with three part-time employees. The additional workers are all in the bottling plant. "A bottling plant will double your work load," he says.

## Red-tape nightmare

Watson also says: "If you don't have everything organised at the dairy, don't do it. Our dairy nutritionist says 90% of the time, when somebody starts bottling their own milk, their dairy goes down. It hasn't here. That is because of our employees. They take pride in producing quality milk. The key is to hire competent, energetic, trustworthy people."

Another time consuming process involved lots of red tape. "It was a nightmare," says Watson. "Since we sell in Georgia and North Carolina, I had to get interstate shipper listed." Unfortunately he learned that the expensive way when he watched \$600 of milk go down the drain in Georgia.

He also had to get another well drilled and that required planning permission. He also had to be certified to run the dairy's in-house lab and labels had to be approved by the South Carolina Department of Health. This is in addition to monitoring already carried out in the milking parlour.

There was one part of the learning curve that wasn't steep, though. Watson says that the milk processing itself was easy to learn even though they do it differently from most commercial suppliers. They rely on low temperature vat pasteurisation at 145 degrees for 30 minutes. "That kills the bad bacteria but not the good bacteria," says Watson. They also do not homogenise, which gives the milk its old fashioned taste and consistency.

Another selling point is the quality.

"It makes the shelf life longer," Watson says. "It only comes from our cows, it isn't on a milk truck for 1,000 miles and it can go from the udder to the carton in between three and six hours."

"I think all milk is a really good product," Watson emphasises. "But we know ours is better. I couldn't sell it if I didn't believe in it."

And sell it he does. He says conventional advertising is cost prohibitive so he relies on word of mouth.

While one of his first and biggest customers was food distribution giant Sysco, he and his family literally knocked on doors to get their milk in supermarkets, health food stores and independent convenience stores.

They would stand outside the stores and try to give customers brochures, but Watson says that wasn't successful. Then

he had the idea of adding to their sales force. He called Earth Fare, an up-market health food store, and asked the manager if he could bring a cow. The next Saturday morning, Fran, a former show cow, was bedded down in a shaded pen in the car park.

## Farm tours

"Mothers would walk up and ask if their children could pat the cow. I'd say of course, here is a brochure. The store almost ran out of milk."

In three years Earth Fare has gone from selling 90 litres of Hickory Hill milk in a week to more than 1,800 litres.

The Dorns also go to three or four food shows a year. One of their main customer draws, though, is their farm tours. Held each Tuesday in October and year round when asked, they charge £3.50 a person.

The tours include a hay ride and a pint of their chocolate milk.

"It isn't a money maker because of the time it requires, but people meet our family and the cows and feel like they have ownership in the product." There is also an on-farm sales outlet, better known as the cooler.

"It is open 24 hours a day and there's an honest box for payment. We sell almost as much there as we sell in our biggest stores."

Even with the increased work load and responsibility, Watson says he would definitely build the bottling plant if he had it to do over.

"I'd just do it when I was younger," he laughs. "It is definitely a way to recoup more of the dollars that consumers spend on milk. We are getting ready to make some serious money." |

Winning formula: green grass and sunshine are two of the main ingredients in Hickory Hill milk

