

 Elisabeth Spratt

DIVIDING RIDGE FARM

Illinois Grass-fed Value Chain Case Study: Production

Developed by Delta Institute and Pasture Project

Overview

Dividing Ridge Farm is a diversified, multispecies farm operated by Emily and Brett Mathews in Liberty, Illinois. Since leasing the 200-acre farm in 2017, the wife and husband team has been producing non-GMO grains, pastured poultry, pork, eggs, and rabbits. In 2019, the Mathews added grass-fed beef to their operation.

Operation

The Mathews began leasing their farmland in 2017 from Brett's family. Of the 200 acres, 23 acres are no-till, non-GMO corn, and soybeans rotated with a multispecies cover crop. Thirty-three acres are in wheat production, and 28 acres were taken out of tillable production and are now multispecies pasture and silvopasture. Fifteen acres are Christmas trees rotationally grazed with livestock. The rest of their acreage is natural grass and timber where they also run hogs.

The Mathews use both temporary and permanent fencing systems for their cattle. The farm is situated along a highway and requires perimeter fencing because of liability. The temporary fencing is used to construct paddocks. They do have grazing plans, but frequently find them too prescriptive; Emily and Brett need to adapt their plans as needed.

The Mathews started small with their cattle operation, purchasing 10 primarily South Poll cattle that will be grass finished on the farm. They plan to purchase a bull from Greg Judy, a Missouri farmer and grazer.

The Mathews intend to grow their grazing operation as the market allows, explaining they would like to convert as much land as possible to a regenerative system. They are uncertain of the direct-to-consumer market for their beef and are more interested in selling to a branded program like Wellness Meats or directly to a meat processor.

Motivation

Market trends were partially responsible for the Mathews' decision to get into regenerative farming. They want to encourage customers to care more about their food and where it comes from, in addition to their desire to help grow the regenerative grass-fed beef sector.

The biggest motivation for the Mathews, however, was a combination of ethical decision making, human health, and soil health. They strive to be good stewards of the land and ensure their livestock are raised humanely. They also believe that consuming grass-fed beef and other pasture-raised meat is better for human health than conventionally produced products and want to lead by example. The land they farm was in conventional row crop production for many years and they want to improve their soil health through regenerative grazing practices.

Financials

Financially, the Mathews are in a unique position. The farm is funded entirely from their savings and they operate the farm debt-free. Brett retired from military

service in 2018, which allows them to invest more money into their farm.

Emily explains that the farm venture would not be possible without Brett's monthly retirement paycheck and resources from their own savings. During their first season of farming, the Mathews also grew a cash crop of non-GMO grains to aid in the financial startup of the business.

Like many new farmers, the Mathews have experienced economic setbacks. In 2018, they lost \$53,000. This was mainly due to the high startup costs of the new farm operation and transitioning the land from conventional crops to regenerative production. The Mathews also had monthly lease payments of \$1,100, equipment purchases, and labor costs, all of which added to the loss. However, 2019 was a better year financially, and as of November 2019, the Mathews had a net profit of \$10,000. Their goal is to have a financially stable business by the end of 2020.



Challenges and Barriers

The Mathews have struggled to access markets and build a customer base. Emily explains that they are new to both the farming business and their geographic location. She admits she's not well versed in finding markets and is unfamiliar with the social media platforms that many farm businesses use to reach customers. Living in a small town dominated by row crop culture and conventional farmers has also been a challenge for these new farmers. They don't have any farmer neighbors to turn to for advice and have even been characterized by some local producers as "outright crazy" for starting a non-traditional farming business.

A unique dynamic that has proven a challenge for the Mathews is their relationship as business owners and partners, given that they are also married. They happily navigate this dynamic, however, as they are both passionate about their business and regenerative farming.

When asked what would make their business more successful, Emily says open or free markets. It's difficult for small farmers to compete within the larger agricultural system, explains Emily. She understands her view might seem utopian, but she would like to see a more fair-trade market. She adds that having more technical skills and staff would also greatly help their business. They have one employee that helps during certain times of the year, but Emily and Brett are still new to the industry and learning as they go.

Growth

Emily believes the major bottleneck to growing the grass-fed beef sector in Illinois is the lack of safety nets for small-scale, diversified farms like Dividing Ridge. Federal crop insurance and livestock indemnity programs primarily cater to large, industrial commodity producers and offer less comprehensive support for small farms. In 2014, the USDA launched a new federal insurance policy called Whole Farm Revenue Protection which is designed to support diversified farms. This program is still relatively unknown by farmers, however, and comprises a small fraction of total crop insurance.

Emily believes expanding economic and educational resources and support would also lead to growth of grass-fed beef production. She noted that financial programs and assistance, particularly around conservation agriculture, would draw more people into farming and encourage her conventional row crop neighbors to consider transitioning to regenerative agriculture.

Emily sees value in mentorship programs for beginning farmers and farmers transitioning practices and thinks they should be expanded and resourced. She also notes that a large-scale research and education farm where farmers could learn hands-on, innovative practices in regenerative agriculture practices would bring more farmers into the sector. She sees the need for more educational events and learning opportunities for farmers, specifically on marketing of grass-fed products.

Emily sees significant potential for the growth of the grass-fed beef sector at fast-food chains and restaurants. She understands that our society is one that values convenience, and if fast-food chains and restaurants began selling healthier food like grass-fed beef, it would improve overall human health outcomes and increase the demand for grass-fed beef.

