

MILKING THE SYSTEM

Kalona Organics combines old-fashioned farming with 21st century business savvy

BY EUGENIA E. GRATTO

Milk, Cream, Salt. Enzymes.

Those are the only things that should be in cottage cheese, according to Joanna Mouming of Kalona Organics, a marketing and distribution company operating in the heart of the Amish and Mennonite community in south/central Iowa. “Our cottage cheese doesn’t have any gums in it,” said Mouming, who is the company’s Marketing Director. “It’s very difficult to find cottage cheese that doesn’t have a long list of ingredients.”

Cottage cheese is just one of the products that Kalona Organics distributes on behalf of Farmers’ All-Natural Creamery, a consortium of Mennonite and Amish farmers in and around Kalona. Farmers’ All Natural Creamery has a line of organic dairy products, including milk, butter, sour cream and cheese, all made on small farms, prima-

rily run by Amish and Mennonite farmers, and are all certified organic or naturally-raised.

Dairy farmers who supply the Farmers’ All Natural Creamery line live within a day’s drive of the Wellman plant, and generally own herds averaging 25 to 35 cows. All the animals are raised to certified organic standards, and many of the operations are century-old farms.

Without the means to get their products to market, these farmers could not continue the lifestyle they have chosen and that they wish to pass on to future generations.

“That was one of the reasons the Amish farmers started this process with milk—they want to maintain their lifestyle, and the value-added products help them do that,” says Bill Evans. “They’re sitting on 80-acre parcels, and to do that, you have to be very effective with those 80 acres.”

Evans, once a chief financial officer at a variety of manufacturing companies, has been helping Farmers’ All Natural Creamery write grants and develop its business plan since 2003. He noticed that the Creamery was great at making products, but not so good at telling people about them, or getting them to market. In 2005, Evans founded Kalona Organics, a separate company responsible for distributing Creamery products. The vision for Kalona Organics was clear: farmers, particularly the local population of Amish and Mennonite farmers, don’t have time and resources to both produce healthy, simple food and get it to a wide market. He thought a marketing initiative like Kalona Organics could fill that niche by providing marketing and sales support. This would allow small producers to create more products, to be more economically sustainable and to expand their markets.

“If a farmer can focus more on what they’re doing on their farm and not drive to the farmers market and get to every store, they can focus on what they love to do and need to do,” Mouming said. “We’re helping a farm community of small family farms and rural plants sell more product—we’re bringing it to market for them.”

Kalona Organics believes their marketing and distribution infrastructure could also serve other Amish and Mennonite producers in southeast Iowa. “When people like the milk, they say, what other products do you have?” Mouming said



In 2005, Evans approached Farmers' Henhouse, a consortium of organic henhouses owned and operated by a family outside of Kalona. At Farmers' Henhouse, the eggs are sorted by hand by Amish and Mennonite workers. Now Kalona Organics annually distributes approximately 12 million eggs processed by Farmers' Henhouse.

Kalona Organics has also ventured to neighboring Wisconsin to add yogurt into the product mix. In January 2007, Westby Creamery, a farmer-owned cooperative in western Wisconsin began producing Cultural Revolution Yogurt under a joint venture with Kalona Organics. Each partner owns half the business. The resulting cream-line yogurt is made without stabilizers or thickeners, and is nothing like the conventional yogurt in most dairy cases.

"If you add all those stabilizers to yogurt and create false textures, you can ship it around and drop it on the ground and it will be exactly the same," Mousing said. "The yogurt will become quite liquidy if you do that to ours."

Kalona Organics is also working closely with Hy-Vee, which is looking to the company to provide them with quality, local dairy products. Thanks to Kalona Organics, Hy-Vee's private label organic milk comes from the Farmers' All-Natural Creamery, and the bottles feature the Kalona Organics logo.

"It's a pretty intelligent approach [Hy-Vee's] taking with the local products," Evans said. "They've tried to be more transparent. What they want to do is position themselves where they're working with companies like us, and they want to promote that. They're seeing that their customers are beginning to think more organic and more local."

Kalona Organics distribution network is expanding. They first started by approaching Iowa City's New Pioneer Co-op and United Natural Foods (a local distributor) as well as Hy-Vee. Now the products are in more than 65 stores across Iowa alone. The company also distributes across the Midwest to Whole Foods Market in Chicago, as far west as New Mexico's La Montanita Co-op, and as far east as Atlanta's DeKalb Farmers' Market.

"Most of our products are from the Midwest," Mousing said. "But there's a demand for our product beyond the Midwest."

And that connection consumers feel to the minimally-processed products distributed by Kalona Organics is what Evans says he finds so rewarding about his current line of work.

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Farmers' All Natural Creamery and Kalona Organics is working with the Iowa River Valley Resource Conservation and Development Office in Amana to promote and expand grass-based, organic dairies in southeast Iowa. With funding from the Leopold Center for Sustainable Agriculture, the IRV RC&D surveyed dairy farmers in 14 Central/Eastern Iowa counties to determine their interest in organic dairy farming. Amish and Mennonite farmers emerged the most interested. With these results, the program has developed innovative networking and information sharing programs among these communities, and has produced fact sheets to help local dairy farmers operate according to organic standards and to assess the health potential of their dairy products.

"Amish and Mennonite farmers are really open to information," said Peter Hoehnle of the IRV RC&D. "I figured they would be suspicious, but they are very open and very interested in the results." These type of innovative partnerships echo Kalona Organics' commitment to Iowa's small and organic dairy industry.

"People really care about the products—it's something they really appreciate," Evans said. "We've just gone back to the most natural food out there. God created it, and we're just trying to keep it in its original form as much as we can."

Eugenia E. Gratto lives and writes in Iowa City. She moved to Iowa in 2005 from the Washington D.C. area, divided her loyalties between the Washington Nationals and the Baltimore Orioles, and once paid \$18 for six heirloom tomatoes at a farmers market. Shortly after she arrived in the Midwest, she decided it was high time she learned how to grow her own tomatoes. She chronicles her adventures in gardening, cooking and living in Iowa on her blog, TheInadvertentGardener.com.