



FARMER TO FARMER

podcast



EPISODE 146

Dylan Strike of Strike Farms on Scaling Up Big Time, Grocery Store Sales, and Management Systems

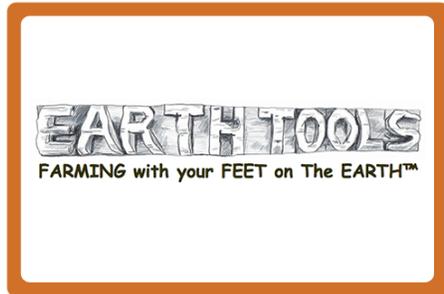
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Chris Blanchard: It's the Farmer to Farmer Podcast, episode 146, and this is your host Chris Blanchard. Dylan Strike has been the owner of Strike Farms in Bozeman, Montana, since 2014. In 2017, he increased production from four acres to 14 in order to edge out national produce players in his local grocery stores. Strike Farms also markets through a CSA throughout the greater Bozeman region.

Chris Blanchard: We dig into the nuts and bolts behind the dramatic expansion at Strike Farms, including how Dylan financed the expansion, and the associated land purchase. Dylan gets real as he discusses the challenges of putting together the financial package, managing staff and systems through the expansion, and the impact, what Dylan says was the worst weather year imaginable.

Chris Blanchard: We also dig into the changes in equipment and production approaches, the administrative systems that allowed Strike Farms to grow, as well as crop rotations, distribution strategies, and breaking into new grocery accounts.



- Chris Blanchard: The Farmer to Farmer Podcast is generously supported by BCS America, BCS two wheel tractors are versatile. Maneuverable in tight spaces, lightweight for less compaction, and easy to maintain and repair on the farm. Gear driven and built to last for decades of dependable service. BCS America.com. And by Vermont Compost Company, founded by organic crop growing professionals committed to meeting the need for high quality compost, and compost based living soil mixes for certified organic plant production. Vermont Compost.com. And by Farmer's Web, software for your farm. Farmer's Web makes it easier to work with your buyers, saving time, reducing errors, and increasing your capacity to work with more buyers overall. Farmer's Web.com. Dylan Strike, welcome to the Farmer to Farmer Podcast.
- Dylan Strike: Thanks for having me.
- Chris Blanchard: So glad you could join us here in I guess it's now it's already the middle of November, I'm not quite sure how this year is moving so quickly. I'd like to start off today by having you tell us about Strike Farms, they're in Bozeman, Montana. How many vegetables are you growing, where are you marketing those, how are you getting those to market?
- Dylan Strike: Out of this year, we are growing on 20 acres cultivated, and of that, we did 14 in vegetables this year, kept the remaining six in full season cover crop, and that's kind of over the last few years being in business. Kind of our breakdown, we try to keep a third out completely every year. So we're growing those 14 acres of veggies, about an acre of that is cut flowers.
- Dylan Strike: We do a lot of greenhouse production as well. So 14 in the field, and then have four 30 by 96 tunnels, a 30 by 72 rolling tunnel, and our original little greenhouse is an 18 by 36. That one's heated, and two of the larger 30 by 96 tunnels are heated as well. That's kind of the basic production we're doing, and then we market that through CSA. We do a summer and a winter CSA, so basically June through the end of January into February is kind of our CSA season.
- Dylan Strike: We do a majority of our sales, like over 50% is wholesale, and really focusing on grocery store sales, and larger institutions. Haven't really messed around with restaurants too much, we will sell to restaurants, but we don't put an emphasis on that, and try to get those accounts too much. And then we also have done farmer's markets for the last four years. That's something we're actually considering not doing in the future, now that we are a little more established with our CSA community, and wholesale is picking up. And I just purchased a property that's winter, so I actually own some property now. The last three years have been on leased ground, and so there's some opportunities to do an on farm span, and have some more traffic coming through there, so we might put our energy into that, rather than trying to be at different markets every week.
- Dylan Strike: I guess as far as history, this year is a big jump for the farm, the first three years we were growing four acres of vegetables, and did that every year. And this past year, decided for some reason to triple in size, and jump from ... so we had six cultivated, and two of those were on cover crop every year. So jump from six acres cultivated to 20, and we were on one property, and now we're actually managing four separate properties. And the one I purchased is kind of in the middle, and the other ones are



two miles in the other direction. So this has been a big change for us as far as scale, and kind of just ramping everything up all at once.

Chris Blanchard: Now you said that you chose to do that "for some reason," but there must have been some reason that drove you to scale up so rapidly in one year.

Dylan Strike: Yep. So a big part of it is just my personality. I'm really bad at doing things incrementally, if I have an idea, I tend to see where I could be, it's hard for me to sit still and be at that lower spot. But the big part of the motivation is I'm really mission driven, and my mission with the farm is I really want to normalize local food, and for those first three years, I really liked Richard Wiswall's book, and that's kind of what has allowed me to grow pretty fast.

Dylan Strike: When I first started, I was managing another farm, and at that point I was still totally idealistic, and was okay thinking that I would never make any money, and just work really hard. And then the winter, I started managing that farm, and I was fully managing the business that year. I read Richard's book, and kind of blew my mind as like oh, we can actually make money here. So kind of tested it out on that farm, which was the year before I started mine. Basically just the crop enterprise, budgeting, and growing things that actually make money.

Dylan Strike: And so for the first three years, starting 2014 was my first year as my own business on those four acres. The first year grossed, it was like 116, and then second year was just over 200,000. And then third year was just shy of 300,000, and kind of did that by just really picking and choosing the crops, and markets I was selling to. And so didn't increase our land at all, but almost tripled our gross sales off of the same acreage. That kind of got to the point where I couldn't max it too much more, and I was having to really specifically choose who I sold to, and having to say no to a lot of people, because I just had to go for the highest price point, since I was trying to just make more gross off of the same area. And so a big part of it was wanting to be able to say yes, and to get more food into more places, and specifically grocery stores has been a big part of our focus.

Dylan Strike: And we were at a scale where it's hard to have everything all the time, not because we couldn't produce it on a weekly basis, but because we had like 10 different places all wanting large orders, and we only had enough for five places, so that was part of it, the demand. But also wanting to just make it easier for the stores, and easier for the customers. And so by jumping to a bigger scale, we're able to drop our prices a little bit, and make it just an easy decision for a produce manager that the price works, they can put it on the shelf at the same price as California organic. And then from the customer's perspective, we have professional looking packaging for grocery store sales. So it's the same price side by side, basically kind of what we're trying to do is instead of hoping that we can get everyone to convert to going to farmer's markets, or becoming a CSA member, to just get the food where people are already shopping, and ask them to make a small change. So when they go to the store, and they see our stuff, it's like a 10% behavior change.

Dylan Strike: They just have to shift their hand over a foot or two, and grab our lettuce mix instead of the Earthbound lettuce mix. Versus trying to convince somebody to go down to the farmers market every Tuesday from five to 8 PM, and not really know what's going to be there, and to make that life change. So a big part of it is just trying to



make it local and organic in our area normal, so that it's not some huge shift that consumers have to do in order to get the best food for their families.

Chris Blanchard: So when you say that scaling up allowed you guys to sell your produce at a lower price, tell me a little bit about how that worked?

Dylan Strike: What I was doing before, especially with my grocery store accounts, every grocery store in the produce department has a different margin they have to get on their products. And it's actually a pretty shocking range. Pretty standard is like 40% margin. So I just originally based my pricing kind of on the absolute highest they could sell and be able to make it, but they weren't able to buy much volume, or a lot of the stores weren't.

Dylan Strike: There's a couple stores that they run a really low margin, and so from the get go they were great. They paid the same price, or sometimes even higher, because I tried to keep the shelf price the same in all the stores, so they would pay a higher price, and then buy more volume, and run it at the same price as other stores that bought lower volume, but I just jacked up the price a lot more. So my idea with scaling up is just to get to that price point that works for every store. When I say every store, this is independently owned stores, or we do a little bit of work with some chains like Lucky's, and Natural Grocers, that are more focused on organic produce.

Dylan Strike: But for example, like our lettuce mix, most stores retail the five ounce bags at 3.99, so we're able to charge 2.50 for a bag of that lettuce mix, and that price works great for them, and it looks the same on the shelf to the customer. Whereas before, some places we were selling them at like three, because their margin was a little bit lower, and they could put it on the shelf. But it was always kind of limiting in volume, and I was just picking who we could sell to.

Dylan Strike: So I just really wanted to get to the point where with every produce manager that's on board, try and just at least for the summer season when we have all this stuff, kind of get rid of the California organic products on the shelf, and just be at a price point that it works for them, and there's not really any incentive for them to buy in other stuff, when we have it locally.

Chris Blanchard: Has that worked? Have you been able to edge out the California product in some of those marketplaces?

Dylan Strike: Yeah, some of our ... especially our co-op here. It's really amazing, I was talking to Steven and Matt, the managers there, this winter, and specifically said that I was like, "If I can lower my price to a certain point, would you guys consider just exclusively carrying local organic for your salad mixes?" And so we started at the five ounce bags, and just like right out the gate, once we had it in the May, early June, and they went for it, and it worked, and people were really happy.

Dylan Strike: And then partway through the season I actually started doing 10 ounce bags as well, because they were still bringing in the 10 ounce clamshells. And so we replaced those too. And they did buy in some from other farms as well, that they were running 100% local and organic all summer for their greens, which is awesome. Another thing we did in our expansion this year is started marketing outside of Bozeman, just to get some perspective. Bozeman's a pretty small town, 40,000 people or so, and in the



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valley kind of people that commute and work in Bozeman, there's about 100,000. So really not a big population.

Dylan Strike: And so we've started selling into some of the other small towns, kind of in a two hour radius around us, and we were able to partner with a distributor who is great, Summit Distribution. And we have a deal where we just pay them a percentage of invoice, and they do the delivering. We still do all of the sales, because all we needed was distribution, we didn't need another middle man marking up before going to the grocery store, because that price point really just doesn't work.

Chris Blanchard: You're not outsourcing the sales of the product, you're just outsourcing the delivery of the product.

Dylan Strike: Exactly. Because we have worked with another distributor, but their model, they own label buy it, and resell it, and they try to do some work with grocery stores. It works fine with restaurant, but when you're a middle man selling to another middle man at the grocery store, unless we drop our prices like crazy, it just doesn't really pencil out to have something on a shelf that the customer can buy, and that could allow that distributor to actually buy volume. And so I saw that I could do the volume if we had the distribution.

Dylan Strike: So we're in all the independently owned grocery stores in these smaller towns, and that was the other thing with having the price point right, is before approaching a store with a higher price point, the store really had to be totally bought in, and willing to run maybe a lower margin, because it's local. And so we kind of tried to flip that, and just make it as easy as possible for the stores that the price works out. As soon as they get it, they're pretty much sold.

Dylan Strike: Also kind of our technique is we just when we have products we send full cases of samples for free. And when people are on the fence, it's like just put it out and see what happens, and we'll keep sending you free samples until you decide you want to do it or not. And generally, they put it out, and people buy it. And once they've bought it once, then they'll buy it again, because there really is no comparison as far as the quality and flavor of our products, versus what's getting shipped in here.

Chris Blanchard: I think especially in a place like Bozeman, where you guys, I mean like you said, Montana is a lot of small cities. And it's not like you guys are a prime produce distribution territory. It's not like you guys are Seattle, where there's tons of high quality produce available from the conventional market all the time.

Dylan Strike: Exactly.

Chris Blanchard: You guys are really in a spot where there's not deliveries rolling into every store every day.

Dylan Strike: Exactly. It's actually been really interesting, some of the stores that were our best customers this year, are in tiny towns. There's a town, Ennis, about an hour south of us, and I don't even know the population, maybe 1,000 people. Got a decent amount of tourism with fly fishing and stuff, but they totally bought in, and kind of just if we had it, they bought it, and didn't buy it off of the truck, just because it was so much higher quality, and the price point worked for them. And so I think especially those kind of really far out there towns...



- Dylan Strike: Like Bozeman, you can get good stuff, but when you're the last stop tiny town, you're going to be kind of getting the dregs of produce I think. So that was a pretty surprising thing, I didn't really expect, I thought they would buy some, but surprising some of these smaller stores that we're doing bigger sales in some of those stores that really promoted themselves as being all about local.
- Chris Blanchard: And I would imagine that in a town like Ennis, with that, you talked about it being a tourist town. You know tourists want that Montana grown experience, right? That's part of the reason why you go there.
- Dylan Strike: Totally.
- Chris Blanchard: So tell me a little bit more about how that distribution partnership worked. You said you made an arrangement with the company, is this a distribution company that does this for a lot of other farms? Or is this something where you were able to get a unique partnership?
- Dylan Strike: It's interesting, we actually started in the same year, and just in general, Bozeman's a really cool community. It's super entrepreneurial. I get to partner with a lot of people that have kind of been doing it around the same amount of time as I have. They're actually a steak, seafood, and meat distributor around Bozeman. So that's kind of their bread and butter. And they've dabbled in doing produce, and actually buying it, and selling it, and realized that there's a lot better ways to lose money. And so I kind of started talking with them about my need for distribution, and seeing if we could work out a deal.
- Dylan Strike: And it's a benefit for them, because they're providing the meat. They provide pretty much everything a chef could need, and they will order in produce from other, larger places when it's not around locally. But it kind of works out well. We had a bunch of accounts they didn't have, and so they could also offer their meat there. But yeah, it kind of allows them to have something else to offer, and as a distribution company, they want their trucks to be full. And since we scaled up this year, we were sending them pallets and pallets of stuff every day. And they're delivering, it's pretty crazy the switch from what we were doing before to this year.
- Dylan Strike: Like delivering to all these different towns that have different delivery days. So we had stuff basically Summit would, they would actually come to the farm, because they're only a few miles down the road, which is great, and pick up on every afternoon for the deliveries that needed to go to towns the next day. So it really streamlined things for us. We still do our own Bozeman deliveries, just because we're right on the edge of town. So at most, our delivery route takes like two, two and a half hours when we're in full production. This time of year it doesn't really take any time at all.
- Dylan Strike: They've done a little bit with other farms, but we kind of ... we were really looking to jump up big time, and originally I was trying to figure out how to get another truck or two, and just have somebody going out every day and doing this distribution. And there've been hiccups figuring it out, but overall it's been so nice. Like that's what they do, they're a distribution company, and they're figuring out how to do that well. And so we don't have to think about it, we just have to give them the produce, and pack it on pallets in a way that they can work with it. Yeah, it works really well.



- Chris Blanchard: And how nice that you didn't have to go out and make those investments in another truck, or in hiring a full-time driver, and getting into that business that you don't really know that well.
- Dylan Strike: Exactly. I never want to know it that well. It's complicated enough doing everything else we're doing.
- Chris Blanchard: So the scaling up process that you've gone through - well, process might even be a little bit of an exaggeration. You guys really went from four acres you said to 14 in vegetables this year.
- Dylan Strike: Yeah.
- Chris Blanchard: That's a huge leap, not just in terms of ... I mean I think that in some ways going from four to 14 is a lot bigger and a lot different than going from say 14 to 42, because ... and you know at four acres, you're farming one way. And there's a certain amount of mechanization you can do. But at 14, you really get to a point where you can't be pushing one row seaters up and down the row anymore. Can you tell us a little bit about how that dramatic expansion worked? What sorts of investment you guys had to make, and the changes that were involved in that?
- Dylan Strike: It felt like starting a new business. It is night and day. Nothing we were doing before we're doing now, so it's kind of a crazy thing to do. But last year, I did a ton of research, and lined up financing for equipment, and to purchase the land. Another big reason we did this expansion, is the first three years were on leased land, and didn't have any permanent building, so our pack shed in the summertime was a three bay pole barn that we had built.
- Dylan Strike: We had no concrete, and so we were ... I mean 300 grand isn't a ton of sales, but for our infrastructure, it's like we were in the stone ages, and putting out a pretty decent amount of volume. I really wanted a pack shed in that infrastructure. And especially we do a lot of year round sales, and to make that easier, instead of having to wash all of our produce in October outside that we're storing, we can now just wash it through the winter out of this new pack shed.
- Dylan Strike: But so anyways, I lined up the financing, they get equipment and to buy the land, which was a whole insane process in itself, and I really took on a lot of debt, so just wanted to do that jump. I didn't want to get some of it, I just wanted to go to the scales so that - I knew it'd be crazy, but so we can have this space. And then like you said, like in the future, it won't be a big deal to add however many acres, because we have the equipment we need. So basically, not that I'm going to be able to remember all of them, but we purchased so much equipment this year.
- Dylan Strike: This spring was ridiculous, like every day another semi truck showed up with all sorts of stuff on it. But I've got a 70 horse Kubota for primary tillage, and for pulling the water wheel transplanter, which was another new purchase. And we got an Imants spader, it had a smaller Celli spader before. One of the cooler things I got is a Forigo stone burier, it's basically a rototiller bed former on one path, and for the three years prior, it'd been doing pretty rough bed prep, and just using the Celli spader, and it was one of those things I could make it make a nice bed with it, but it's not something that you can just put somebody on, and have them do it right, whereas



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the Forigo, you set it down and go, and you have just the most beautiful, perfect bed ever.

Dylan Strike: A really big part of the goal of this was also to just really standardize things, and kind of make it so that it's easier to plug people in, and there isn't quite as much ... it has to be the operator really knowing exactly what they're doing to make it work, and to kind of reduce that factor there. So I got this Forigo, I got a Sutton Jr. 12 row seeder. We do a lot of greens production, that's kind of the core of our business, and our main cash flow crop is baby greens. So that seeder was great, before we were doing ... My seeding last year, I ganged together two Earthways 16 inches apart, and just do four passes, kind of like staggering each one, so you end up with eight rows in a bed.

Dylan Strike: So it's great now, it can go and seed a half acre of greens in an hour and a half, and it's perfect, it's not variable like it is with the earth way. Got a Kubota 245 cultivating tractor. Bought a carrot harvester from a farm that had been doing carrots for the past few years, they're part of a bigger conventional farm, but had a small corner of the farm they were doing inorganic production, and pretty much just onions, and storage carrot. And I was planning on buying a new carrot harvester, because that's a big part of what we do, and what I wanted to expand as our winter storage. And so was able to ... they were kind of phasing out, and they actually called me up, because I knew that what I was planning on doing, and offered it to me.

Dylan Strike: And so the \$3,000 on a used carrot harvester instead of 33 on a new one, so that was a pretty sweet deal. So that's kind of the field stuff that we got. On the new property, there was an existing whole barn building that's about 50 by 36 of it was just dirt floor, no insulation in the walls, and starting in February when I close the property, got some contractors come in and turn that into our pack shed. So concrete floors, put radiant floor heating in there for heat, insulated the walls, put a roofing metal so we can wash the walls down if we need to. Put a drain in there, and then next to that part of the building, the previous owners, the guy was a pretty skilled wood worker, and he had his woodworking shop. That one is 30 by 24 roughly with a weird little alcove on it, and that already had concrete.

Dylan Strike: So I turned that entire room into our new walk in cooler. And it's about 12 feet tall, so it's really great space, can fit a lot of stuff in there. And that's connected to our pack shed with a garage door that we put in. And then beyond that, there's an existing three bay garage, and loft office above that. It's pretty dreamy, like going from we were just in the stone ages, and just making it work, pretty uncomfortable. But I knew what I wanted, and decided to take that risk, and take the debt to just get there. So now we have a really awesome setup. I just recently bought a pallet stacker, basically an electric walk behind little forklift thing that allows you to stack pallets. We can go four high in our cooler, so we're really able to maximize that vertical space, and just makes material handling a lot easier, having not to move stuff around.

Chris Blanchard: And obviously it's relatively early on in your expansion. You took on all this debt a year ago to scale up, are you still feeling good about that decision?

Dylan Strike: So I'm totally exhausted and burnt out right now. But overall, I'm glad I did it, and we aren't for next year, this year was just craziness. Like I said it was like starting the farm over again from scratch, which the first year was insane, and it is for everybody. But I'm glad I did it, because now we are at that base, and next year we just get to



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use all of this equipment that we figured out this year. And we get to use all of the systems we put into place this year.

Dylan Strike: And so I'm not planning on doing any expansion next year, and we're just really going to be fine tuning making everything work, as you can imagine. With doing that much growth in one season, there's a lot of growing pains. And that was actually coupled, this was like the worst weather year that I've ever seen, that I've been in business for eight years. And even talking to older farmers, it was just really extreme.

Dylan Strike: And so unfortunately for us chose the wrong year to put it all out there and go for it. It was definitely a challenging year. We had April, it rained constantly, we had literally like three days from the beginning of April well into May that were drying up to cultivate it at all, to do any tillage. And then May it snowed every week, June we had four damaging hailstorms in a month, which in my previous three years, we'd had like I think three total hailstorms period. And in one month, we had four, and we actually had about that many throughout the course of the season. So it was just really, really hard to deal with that, especially in June, right when ... that was right when all of our stuff starts coming in, and so got wiped out by one hailstorm. Right as that starts to balance out of it, we get hit by another one. And it was kind of unbelievable, and it was something I told my lenders and my family, I'm like we can handle lots of extreme weather events, but the one thing that could really screw us is just perfectly timed storms that just did exactly what I just said, and kind of continuously hit you and keep knocking you down. And so that happened this year, so that was fun.

Dylan Strike: And that was followed by the driest July and August ever on record, and in the 90's every day. I'm painting kind of a doom and gloom story here, but that was followed by September that turned into winter in the middle of the month. And September's usually a great growing month for all of our fall crops, and this year it just started dumping snow mid September and got really cold. So we basically lost three weeks of growing weather at that point, so that's quite a few crops that ... a lot of our roots, like watermelon radishes, and turnips, never sized up, because they just lost that growing window.

Dylan Strike: So it was kind of a rough year, and so with all of that, I'm obviously tired, but it makes anything going forward seem kind of easy, because we got the growing pains out of the way. And so even if next year is just as extreme of a weather year, all we're going to be dealing with is the weather, we won't have to build all of our systems from scratch, and be doing everything totally differently.

Dylan Strike: And I feel like I say this every year, I'm like well, all these bad things happen, I'm kind of glad it happened, because now I know what can happen. I say that about this year, and I'm going to be changing our production, a decent amount, kind of based on the extremes we saw this year, and doing a few different things, just even if it does happen again, that we can have more of our crops make it through, despite what the weather can throw at us. A lot of that has to do with planting dates, and just having stuff done earlier in the fall. So it's always kind of a risk here, in October it can get real cold real fast. It's not quite as nice as some of the normal veggie growing regions in the country.

Chris Blanchard: So let me ask a really blunt and nosy question, were you able to make your payments this year despite all of the trouble that you ran into?



- Dylan Strike: So I actually ended up having to have some family bail me out, and they offered to do it. I ended up at a point where I was looking into a community financing model. Like with June, we were all the way out there, and June is the first month when you actually start making money, and we just got annihilated week after week by storms. So this is the first year we've lost money as far as the profit and loss statement goes. So I am fortunate when I was telling my family about doing the community financing, with all of the risk, part of what allows me to do it is there's a really great community here in Bozeman.
- Dylan Strike: It's kind of amazing, I've had so many people who want to invest in the farm, and want to help. So I was kind of like alright, let's do it. I don't want to go out of business because of one bad weather year right when we're jumping to this point where we're going to be able to serve the community that much better, and offer that much more food. So especially started going down that path, and had a lot of people interested, and would have made that work out. And then my grandma, I talked to my dad, and he told her all the stuff I was going through, and she offered to give me my inheritance early to cover the debt payments. So it's money that she would have given me, but she's like you need the money now, you don't need it when you're in your 50's.
- Dylan Strike: And so I was able to do it that way. That was the first time that I had had anyone give me money for the farm. Last three years, everything paid for was profitable every year. But one realization I kind of came to this year is just looking at other businesses, and how they grow. Farming, and how farmers generally do it is kind of crazy. We expect to be profitable all the time, and you look at most businesses, they get a huge influx of capital, and they're just losing their asses for five years straight before they turn a profit at all. So that's kind of where I was going with the community financing model as well.
- Dylan Strike: Kind of looking at like how do we get farms to grow, and to be able to figure things out, and set up good systems without spending so much of their time just on that month to month are we going to be able to pay the bills? So in a lot of ways I feel financing is something that really needs to get figured out, and to help the farming community in general.
- Dylan Strike: To allow us to grow up, and not have the mentality that I think so many of us have, that we have to just make it work on our own, and that debt is bad, and some of those things. You've talked about it a lot on your show, obviously there's different ways, and it depends on your risk. So I took that risk, and ended up having to ask for help, but as far as like from an operations standpoint, we are profitable. I just took on a huge debt load in for this first, this was the critical year, and it happened to be the worst weather year.
- Chris Blanchard: So when you say from an operations standpoint, what you mean is that your income, your income from production is in excess of your expenses to do that production, but you had some negative cash flow, because you didn't have enough funds to do the debt service.
- Dylan Strike: Exactly. So basically in the last year, I've raised a million dollars of debt, and so this year's payment is huge. And so that's kind of what I was talking about with how I think we really need to look at financing a little bit differently, and kind of partnering



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with flexible people that really believe in this movement, and kind of just going more ... not like the Silicon Valley way, but kind of. Just raise all of the capital you need right away, and kind of have some flexibility on that just to get to the point where you really can just have things figured out, and be profitable on a larger scale.

Dylan Strike: I think we kind of hamstring ourselves sometimes by trying to do it gradually, or just making it pay for itself all the time out of the gate, because there's not really very many businesses that do that. I think a lot of farms are, and I was the first three years, you're just truly profitable every year. And I think if we just look at what other businesses do, that's not necessarily realistic in order to grow to a larger scale.

Chris Blanchard: I think that so often in our community, and I think there's a lot to be said for that. There's a real focus right now on kind of small scale, intensive, high profitability per acre production, that tends to be very low capital in play. You know you're talking about it's a BCS, it's a coolbot unit in a small walk in cooler, it's a tiny packing shed, and it's an acre and a half of ground. And that's awesome, and I love that model. I love what that's done for our community. I think what you're talking about, this idea of making local foods really accessible to a wide number of people, in other words getting it into the grocery store does require a different scale of production.

Dylan Strike: Yeah.

Chris Blanchard: And I do think that what you're talking about really does apply to that, that we need ... we have to think about what does a capitalization model look like for a farm that wants to get up to a 10 acre, 20 acre, 40 acre scale, where you are able to get things in a packing shed that meets the regulatory standards so that you can get it into the grocery stores, and all of those other details have to all come together. And that you can do the volume every week, to where a grocery store can afford to invest and say, "Yes, we're going to have your stuff on the shelf, and we're ditching the California stuff," because that's really when we start to make an impact with the foods.

Dylan Strike: Exactly. And that's what people kind of think I'm crazy sometimes, or maybe a lot of the time, for how I go about things, but that's what really motivates me, is actual visible change. So this year, despite all of the challenges, it was really cool just ... I mean we were all over the place, and we moved so much food, it was awesome. And so that's what motivates me, and it's kind of the money is the way you have to do it, and that's why you have to treat it as a business.

Dylan Strike: But at the end of the day, money is just money, and I think once you get on a bigger scale, you can kind of look at what your mission is, and what you're trying to accomplish, and then make the money work around that, instead of just trying to figure out a way to make enough money. And obviously on the one and a half acre scale, you have to just make enough to pay yourself. But once you expand, you get to ... When you are grossing a lot more, and you have some flexibility, and you have managers, I think you can just affect change faster.

Dylan Strike: I think they're both equally important, and it just depends on what your risk tolerance is. I think the acre and a half scale is great if you have a low risk tolerance, and you like to have total control of everything yourself. Because once you get beyond that, even when you're at like a four acre scale, to do a really good job, you need other people involved. And once you're at the scale that we jumped to this year, you get to have lots of people involved, and can really hire awesome people to



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run entire parts of the business, and kind of let them do their full capacity, and go after it. And so that's another thing that's exciting to me, and another reason I wanted to expand, is just to have more opportunities for more people to get involved in this.

Dylan Strike: Kind of what worries me about a lot of the models I've seen is basically a farmer, or a farmer couple, and they're working really hard, and they have a crew of underpaid interns working really hard, and then those interns maybe will come back for a season or two, but then the only way those interns can ever really make a living is if they go and start their own farm, and do the exact same thing. So I'm trying to provide more of an actual business that has room for advancement, and has room for growth within it. I mean it's hard to start a farm, and I don't think it's realistic if we really want to change the food system for everyone to go and start their small farm, whatever scale it is. I think we need to get a little bit more in the middle ground of being a business that is viable, and has room for growth, rather than just being at that set point where basically you work there until you can't afford to work there, and you go start your own place.

Chris Blanchard: So one more question about kind of the growth, and scaling up, and capitalization, is where did you get the financing? You said a million dollars in financing that you bought on this year, where did you go for that?

Dylan Strike: So part of it was through the FSA, and that was for the equipment loan, which I just took the full amount of their \$250,000 equipment loan. For the land purchase, that was a combination of the FSA again, and Northwest Farm Credit Service. And it's really interesting, I actually ... this is last December, things were still totally up in the air on whether I'd be able to get the financing to purchase the property, and make all this happen.

Dylan Strike: And I had been working with a new company in Bozeman, and we were working on a community financing/crowd funding model. Crowdfunding is pretty new, and there's a lot of unknowns about the legal way to do it. So I worked with these guys to kind of set up a flexible financing model that would work with actual cash flow of a farm business, and so basically you raise the whole amount through community investors, and with the crowd funding, a couple different ways you can do it. But basically you can just from people who believe in what you're doing, they invest in you, instead of investing in Wall Street, and not really knowing what's going on.

Dylan Strike: So investing locally. But what we worked on, and got it developed, is a model where the payments are based on your actual gross sales each month, or quarter, is what we actually ended up doing. So that if you do have a year like this year, where everything that can go wrong weather wise does, your payments are lower. And basically the way we had it set up, it would be like a 10-year payment plan with the idea that you'd make smaller payments the first couple years as you're getting everything going, and then once you're established, you make bigger payments, and kind of basing it off of how the farm is actually doing.

Dylan Strike: So I spent a lot of time and actually a lot of legal money setting this up. Because I would have been the first investment that this company had actually ever done, they were a new company too. So we got it set up, but since it was a new thing, it was taking longer than we expected to raise the money. I was getting a little antsy, because I had a hard closing date of February 1st on the property.



- Dylan Strike: So I reached out to my FSA loan officer, who I'd gotten the equipment loan from, and reached out to the young ... kind of the beginning farmer loan program through Northwest Farm Credit Service. And two amazing women, both of those, Abby from FSA, and Amy Roberts from Northwest Farm Credit Service. But worked with them, and they really believed in what I was doing. And from Abby at the FSA, she totally vouched for me, because I've had micro loans from them as well, and have made my payments.
- Dylan Strike: They've seen the business grow. So they really went out on a limb, and convinced their superiors to try something different. Because out here, like what we're doing is totally weird. It's all grain production, or livestock production here. Vegetable production, lending agencies just have no clue what we're doing, and so it doesn't really fit their models. But I went to them and said the private deal was taking longer, and wasn't sure if it was going to work out. And it was totally the opposite of what I thought, I went the private way, because I thought it would be faster. But these two pretty large bureaucracies, they were able to do a really fast turnaround, and made it happen. And so ended up taking that, because we were able to just close on the property.
- Dylan Strike: And of course, by the time we closed, and did it, through the private deal, we'd kept it going just to see what would happen. Ended up raising almost all the money, and so that was kind of what I was talking about before, where I knew the community support was there. I think we were up to like \$700,000 raised through community investment. So in a way, basically raised the money twice, which I wouldn't recommend, that's pretty exhausting trying to run two different financing models. But I needed to know, since with the private deal was new, like there's no guarantee, whereas with going through the FSA and Northwest Farm Credit, there's established protocols. It's like a month turnaround for an answer once you get your stuff in, whereas with a private deal it's like well, we either raise the money or we don't.
- Dylan Strike: Something cool that did come from that private deal though, is I blew a lot of legal money getting it all set up, and it didn't work out. But another farm in the valley just this fall, purchased a neighboring property, and went through that, and used that model that we had set up. So somebody got to use it, which is cool.
- Chris Blanchard: That's really cool. With that, we're going to stop here, take a break. Get a word from a couple of sponsors, and then we'll be right back with Dylan Strike from Strike Farms in Bozeman, Montana.
- Chris Blanchard: Perennial support for the Farmer to Farmer Podcast is provided by BCS America, BCS two wheel tractor is the only power equipment that a market gardener will need, with detail driven attachments, like the rota tiller, the flail mower, power, rotary plow, snow thrower, log splitter, and more. You name it, you can probably run it with a versatile BCS two wheel tractor. The first time I used a rototiller way back in 1991, it was mounted to a BCS two wheel tractor, and it spoiled me for life. When you get behind a BCS, you can tell that it's built to the same commercial standards as four wheel farm tractors, and has many of the same features. I've used other tillers and mowers, and I spent most of the time when I was using them thinking of how much easier it would be with a BCS. Check out BCSAmerica.com to see the full lineup of tractors and attachments, plus videos of BCS in action.



- Chris Blanchard: Perennial support is also provided by Vermont Compost Company. Vermont Compost potting soils promise you the presence of all the complex, and humus bound, and glomal inbound biota, and proteins, and nutrients. And they promise there will be no genetic material viable to compete or confuse your efforts. And that of course, is this crazy unnatural condition, but of course so is putting things in pots. Vermont Compost uses art and science to imitate nature, and support plants within this unnatural condition, and that's why Vermont Compost provides an ideal medium to grow high quality transplants. And while it's not all about saving money, Vermont Compost fall pre-buy program can help you get what your plants need at the best price, with the best shipping options. Don't miss out, Vermont Compost fall pre-buy program runs September 21st through December 21st, taking care of growers by taking care of transplants since 1992. Vermont Compost.com.
- Chris Blanchard: All right, and we're back with Dylan Strike at Strike Farms in Bozeman, Montana. Dylan, you and I were talking before the break, we were talking about some of the financial challenges in the scaling up process, and the bad luck that you had with the weather. What else did you learn in the process of going from four to 14 acres of vegetables?
- Dylan Strike: So one of the biggest challenges was employee management, and basically my job, or one of my many jobs this year, is kind of managing managers, and employees, and kind of getting my managers to a point where they could manage, and it was especially challenging just going from ... It's not like we gradually did it, and had a lot of people already on from the year before, it was a pretty small crew before. And so I was having to bring on a lot of new people, and get them into pretty ... or very ... what's the word? Roles with a lot of responsibility, because when you're doing what we were doing, as far as sales, and just everything going on, you can't do it all. And so you really have to get a system set up so that other people can run it, and you don't need to be there all the time.
- Dylan Strike: One thing I learned about myself this year, and about other people, is that my learning style, and ability to deal with stress, obviously I do well under pressure, and I've just been doing it for so long. I mean really since I started managing that other farm five years ago, it's been non stop new, constantly. I never have like, and no business owner does, there's no road map of what you're supposed to do, and what your job is, and you have to figure everything out as you go. And I, even though it is stressful, that's how I thrive, is I take on a big challenge, and I kind of need that pressure in order to do it. Kind of the classic kind of procrastination thing for some people in order to get their paper written, or whatever. And I kind of do that.
- Dylan Strike: I just take on so much that I am totally challenged. And I can perform under that pressure, and make it work, because the way that I've done it, it has to work. And that's kind of, I think I'm just stubborn, and I refuse to fail, or give up. And so even though it's not the most ... especially this year, wasn't the most balanced thing. But I knew I wasn't going to let it fail, and that I would figure it out. But I realized that in the process of doing this expansion, I kind of in my brain, didn't consciously think about it, but kind of just thought that other people wanted that challenge of figuring stuff out, and making it work.
- Dylan Strike: Turns out, which it was pretty obvious to everyone else I'm sure, most people aren't comfortable with that, and learn much better when it's a low pressure situation, and



can do a better job. And so kind of with that, a lot of the people I have who are the most amazing workers, and just totally dedicated. What they like to do is work and get stuff done, and when you're a manager, you don't get to do that. Your job, you never get to just finish a task. Your job is to just make sure that everyone else can be working at full capacity all the time.

Dylan Strike: So something I really realized is that the ... And in hiring, and it's really hard to know if somebody's going to be a good manager. But hiring someone who can manage, versus somebody who's a really good farmer, is a really important thing to do. So this year, there were a lot of challenges with that. Just having people having to take on roles with a lot of responsibility, we were all over our heads, and everybody talked it out, and we made it happen. But it was just something really important that I realized is how critical it is to make sure your job description is totally clear, and you really do hire someone who has all the qualifications, because it's really easy to ... like you've got the list on your job description of what the qualifications are.

Dylan Strike: They're like oh, but you could figure it out. And you're great at all this stuff, and you know so much, but if somebody doesn't have management experience to manage 20 employees, then that means they're in a situation where they have to learn how to do that. And like I said, for most people, don't like that. And it's not comfortable. So going forward, we're actually in the hiring and interviewing process right now for next year. It feels really good. Another thing that compounded it this season, is it didn't wrap up the financing and everything until February, and then had to get all the infrastructure build and everything at the new property.

Dylan Strike: So we were kind of behind the ball in hiring, and weren't able to really start until like end of February into March. And at that point, a lot of the, even for the crew, a lot of people, the people that actually had experience, had already taken jobs elsewhere. And so to top off not having people who had experience managing at that scale, most of our crew, and literally most, had never worked on a farm before, because we ended up hiring locally.

Dylan Strike: And amazing people, hard workers, but this is a hard year to have to teach people from scratch. So like crop ID, I'd tell somebody like, "Go and scuffle the edges of the plastic on the pepper beds south of the summer squash," they're like, "What does summer squash look like? What is that?"

Chris Blanchard: Right.

Dylan Strike: And so it was just a whole other ... so that took a lot more training and labor than I'm hoping for next year, since we are able to interview people right now, and kind of start at that level with people that do have a few years of farm experience under their belt, will eliminate that entire issue. The one benefit of having that many inexperienced people, and this is taking the silver lining from everything, because it was definitely super challenging. But it really made me realize how much you can do to really clarify things so that somebody who doesn't know, can still get something done. So one thing we did partway through the season from a suggestion from the guy from that story about what does the summer squash look like.

Dylan Strike: "It could be really great if we could just have bed numbers on every single bed." So I was like great, and had him go buy some flagging and write the bed number, and stick it at the end of every single bed. And so stuff like that kind of dummy proofs it,



where this is the bed, and it's not telling somebody to go to the third lettuce succession. It's just the bed number, and kind of eliminating that possibility for somebody to misunderstand something.

Chris Blanchard: I think those sorts of communication tools are so important, and it's so great that you listened to that employee about that suggestion, because I think oftentimes, not all of the time, but oftentimes an employee who's really interested and engaged in the operation, but finds something frustrating, they're going to be the people who come up with those kinds of solutions. "Can we please have a number on every bed?" And it seems like such a simple thing.

Dylan Strike: Yeah, yeah, it totally changed the game, and made it way easier. Yeah, one thing I will say about this year is it really was a total team effort, despite it being all of us being in over our heads, it was everybody was in it, and like we were talking about for the show. The ideal versus the real, ideally we would just have all these managers that are excellent managers, and crew that's already experienced. But it was pretty cool just everyone coming together, and making it happen. And we worked lots of long days, it was really hard work, and it couldn't have happened without the dedication from the entire crew. And my managers have got a couple of people that just really stepped up, and went above and beyond. It was definitely a team effort, which is huge for me, because I don't have a partner in the business.

Dylan Strike: And so it is a team, and especially with my managers. As much as I can, it's more a discussion on what can we do? And like with that employee's story, a lot of the best ideas were just from my managers, and like what can we do? What do you think? And we implemented it, and tried it. We had a really tight knit crew this year, which was great to see, despite how challenging everything was. The crew just really clicked, I've never really seen it for especially for such a large crew, everybody would hang out after work at the end of a 10 or 11 hour day.

Dylan Strike: And everyone would hang out, and drink a beer at the farm. So I think that's really ... At the end of the day, no matter how challenging something is, is just keeping that team mentality, and knowing that even if somebody maybe frustrates you, because they messed up and made something more challenging, that we're all in it together. It's not like a me versus you kind of thing. So I think that's what allowed us to make it through such a crazy season, is just having such a great group of people, and kind of that team and friendship mentality.

Chris Blanchard: And of course, when you're scaling up, we talked about the machinery, we talked about the people, but it's also about the business systems, the behind the scenes stuff. What else did you put in place as part of the scaling up process? Making this decision to go from four to 14 acres?

Dylan Strike: Yeah, so there's a few different things we did, there's actually four I'd like to touch on. And I'll just list off what they are, and we can go into each one. But one huge thing on our wholesale side is we started using Farmer's Web software, which is amazing. And I'll talk more about that. We used Member Assembler software for a CSA program, which we hadn't done that before. So this year we were up to 250 members, so it was great to have that.

Dylan Strike: The third thing is worked with a local marketing firm through the winter, and basically kind of rebranded, and redid our website, and that has been really helpful.



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And just having a really professional look, and to those people that aren't really familiar with the local food movement, we kind of just looked like a legitimate business, which we are now. But it kind of feels weird. It's like we're a farm, but to the outside eye, people kind of view us different than just the farm down the road.

Dylan Strike: And then the fourth thing, is I hired a friend of mine, who is an event planner, and also does business consulting. And she's been helping with kind of systematizing, and really formalizing a lot of things, as far as the structure of the business. And kind of helping with that employee management, so we wrote an employee manual, and we're writing manuals for each position. We have those mostly roughed out now after this season. And just instituting all sorts of ... which is really helping with a lot of the admin side of stuff, which has been huge.

Chris Blanchard: It can be great to have somebody coaching you through that process. I think sometimes those ... I mean things like the employee manuals, and the job descriptions, and the how to's. Those can be hard to make the time to actually do the writing for those yourself. I think it's great that you brought somebody in to help you make those ... bring your ideas, and get them out on paper with that stuff.

Dylan Strike: Yeah, totally. And I've been talking about it since year one, but like you said, it's one of things like when you are actually going to have that much time to get it all written down. And so it's been huge having Alicia. She kind of, and she's also super organized, and I'm definitely the idea person, and want to just take on more, and just figure out a way to handle it. It's been really great working with her, and kind of in a partnership way to ... and she's great on these different things on ... she doesn't need much direction. Like we need this, and she just makes it happen.

Dylan Strike: So it's awesome having someone like that who is a lot like me in that way that you don't need that extra clarity, you just need the end goal, and you'll figure it out. So that's been a huge thing, is having someone like her. And actually I just want to mention another one of my managers that I hired at the end of the summer is Stephanie Archer. I trained her to be CSA manager, and sales manager. And had another great CSA manager who wrapped up in October, Alexis. But Steph took over for her, and took over sales from me, because I was doing all the sales this summer.

Dylan Strike: But it's been great having Stephanie take it over, because it's kind of like I was making it happen and managing it with everything else, but to just give it to someone else, and see them just take it so much further, and more awesome than I even thought it could be is really cool. Kind of a tangent, but just really highlighting having those right people that do understand management and can make things happen is the best thing you can do I think to really make things work.

Chris Blanchard: And I should mention here, Farmer's Web is a current sponsor of the Farmer to Farmer Podcast. And the folks at Member Assembler have been past sponsors of the Farmer to Farmer Podcast. But you said you brought both those tools into the farm this year. Can you tell us a little bit about what those tools do, and how you've made those work for you?

Dylan Strike: Yep. So Farmer's Web basically lets you have an online store for your wholesale customers to see what's available in real time. And so you, on the back end, you do your field walk, see what you've got in there, and you kind of punch that in, and you have all your different products set up. So like for us it's ... we do 18 count boxes of



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our baby greens, and so I can type in there, this week we're going to have 40 cases of baby kale available. And so on the customer side, they'll see that, they'll see all the products we have, they'll see there's 40 cases of baby kale. And it's just like shopping online. They literally just click that they want one of those, put it in the cart, click they want something else, put it in the cart.

Dylan Strike: So it's really in line with what I was talking about before, of wanting to really normalize, and just make it easier for everybody to be involved in local food. And so having that for our wholesale customers has been pretty huge. But what's cool on our end is like your invoices get created from that. We use it a lot on our food safety side, because once all of orders are together, we can export an Excel file, and have every case of everything that we sold. You can organize it however you want. We usually will break it down by customer, and then everything on there.

Dylan Strike: And so in the cooler, my pack shed manager can go and look at the lot number on all of the boxes, and write that onto that sheet, so we have a sheet every day with all of the lot numbers of every product that went out, so kind of a secondary food safety tracking thing there. But that, it's so easy, because it's all just done in the software, and I just have to export a file, and we can fill it in. So it's great for that. And it really has made onboarding new accounts super easy.

Dylan Strike: This year, like I said, we expanded our distribution area, and so the significant portion of our sales this year, which are going to be in the ballpark of like 500,000, are from brand new accounts. And so it's great to be able to ... I talked to as many places as I could over the winter, but I found that really what gets places going is just once you have it, sending out some samples, and just getting them set up, and they can see the software. Something interesting, in the ideal world, all of our accounts would just order online like that.

Chris Blanchard: Right.

Dylan Strike: It seems so easy, but a lot of what we do is grocery store sales, and most of our produce managers still prefer to just get a phone call. And that works fine for us. Stephanie, now sales manager, she'll make the calls, and as she gets orders in, she can just do what they would do on their end, and just there's a case of this going there. And on our real time inventory, that number drops down. So if somebody else was ordering online, it would be real, and we don't double sell anything. So that's been a big part of it, is just having one template to kind of put everything in.

Chris Blanchard: One centralized place where everything's happening.

Dylan Strike: Before we had multiple different spread sheets, and yeah. I really like the Farmer's Web program, and it has just allowed this growth. One the sales side, the sales side is actually where we really kicked ass this year. So it's nice to have one spot that went really well. It's like everything we had, we sold, and so it was just really when we had some of those crop losses from weather that hurt us. But we were able to, and businesses that we work with were impressed, and really liked how professional and simple it was, which again goes right in line with our mission.

Dylan Strike: Because kind of a lot of the places that had been purchasing local before, are kind of the ones that went that extra step, and like the farmers the way they invoiced, or



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whatever it was, is different than everybody else, and the store just made it work. And Farmer's Web really allows it to be a professional, simple thing for the customer.

Chris Blanchard: It fits in with the other workflows that-

Dylan Strike: Exactly.

Chris Blanchard: Well, and I think that's kind of the same thing with something like the CSA Member Assembler too. It's the way that people work these days, and-

Dylan Strike: Yep.

Chris Blanchard: You've got an online interface that looks like an online interface is supposed to look.

Dylan Strike: Exactly. Yeah, and that's just for the management having ... so we have CSA drops, and a bunch of the cities that were selling wholesale as well. So we've got gosh, I don't even remember how many we have right now. I think we're at like 10 or 11 different drop sites, and so having that software is really nice for keeping all of that organized. And we've just got a print out sheet for the back shed that this many boxes need to be on that palette. This many on that one, going out this day. And then you can also set up automatic reminders in there for the CSA members. And so that's pretty great that it helps when people in their busy lives to just get a little reminder like oh yeah, I have to pick up the CSA today.

Dylan Strike: And then tracking financials, that all just goes in there, and people can pay with their credit card through that site. And I'm trying to think what the marketing firm calls it, it's like skinning the site. But basically kind of integrated it into our own website to kind of make it look the same, because it was a little confusing for people if you click on something, and then all of a sudden you're at a different site. So the web people that I work with did quite a bit of work. That's different than how a lot of the sites are set up, similar just to make sure that it looks like the same site when you're there, as far as the backgrounds, and buttons, and everything.

Chris Blanchard: Awesome, and I think those kinds of details are really important. And again, a nice thing that I think your scale lets you do is to outsource some of that work, right?

Dylan Strike: Yep.

Chris Blanchard: I mean if you're only grossing \$50,000, or \$100,000 a year, it's hard to hire somebody to skin a web service for you. Whereas now, suddenly you can get somebody that can do it in half the time, and it doesn't require any of your creative energy to make that happen. And you can put it back in the farm.

Dylan Strike: Exactly. Yeah, and that's kind of in general this year. So invested in all its infrastructure and equipment. But I really view that marketing work as a long term investment. And I wouldn't have done everything I've done if I wasn't in it for the long haul. And so even though we lost money this year, I'm not too worried about it, because I'm not ... It's not a right now thing. Like this is setting us up for the next 10 years, having all of these things in place. And we can work from those, it just makes everything else easier when you have those kind of automated systems that just work, and you don't have to think about it. And on our marketing side, working with that firm, it's been really great as far as whenever we need new labels, if we're doing



a new product for a store, or for CSA advertising, it obviously costs more per hour maybe than doing it yourself, but it takes so many fewer hours, and it all fits in our brand. And working with a company that that's what they do is awesome. I really over the last couple of years, like my first year I just did everything. And I've really been finding a lot of joy in hiring people who are good at what they do to do things, instead of pretending that I'm a contractor, an electrician, and wasting a ton of my time. I love paying people their high hourly rate to do a really good job.

- Dylan Strike: And essentially this spring I, for the first time ever ... so we built two new hoop houses this spring, and I just contracted those out to a builder, and it was the most amazing feeling, just being a hoop house go up without having to spend a million hours just around everything else that we're doing. So that's one investment I think is worth it, even if you are on a smaller scale for some of those building things. Just contract somebody to do it, and throw it up in a week, instead of ... and maybe it's different for other farms, but I know for us, it always ends up being a month long project, that if you had a dedicated few days to do it, you could just bust it out. But realistically, when you're in production, and everything is going on, you don't have that time, unless you just work after you do everything else.
- Chris Blanchard: When I was worked on a processing ship in Alaska, where we were processing fish, and we worked six hours on, six hours off, six hours on, six hours off, seven days a week. So kind of a crazy schedule like farming. But then they would add in, they called it the kick shifts.
- Chris Blanchard: So every third off shift, you got to work an extra two and a half hours while you should have been sleeping, or something. I've always thought high tunnels, and building high tunnels on farms was always a little bit like the kick shift on the processing ship. It's like there's really not time to do this, but you're just going to do it anyways. But it's always there, waiting to be done.
- Dylan Strike: Exactly, yep, yeah, and that's something I'm really trying to do, is outsource everything that's not actual production and sales. So that we can focus on being good at what our skillset is, and not waste all that time doing things that really not in any way qualified to do, and take us 10 times longer to do then hiring someone to do it.
- Chris Blanchard: And that aren't the core of a business. I mean your business is production and sales. We haven't really talked a lot directly about your crop production. Tell me a little bit more about your crop rotation, and the winter storage crops that you're doing, and the cover crops, and how all of that fits together with this sales and marketing system that you've got.
- Dylan Strike: Yep. So on that 14 acres, this year we had about five acres purely devoted to storage crops. And three and a half of those were carrots, which was pretty incredible to see, considering last year our total production was four acres. So we had a field of carrots the size of our entire farm the year before. So about five acres of storage crops, and about five acres of baby greens, and those all get double cropped during the season. And so the baby greens really are our core through the summer months. And then in the winter time, as far as sales, in order to have cash flow to pay employees throughout the year, and then in the winter time, in order to keep stuff on the shelves, that's a big reason we do so much winter storage production is that like this year, we harvested over 100,000 pounds of carrots.



- Dylan Strike: And so we'll be able to keep those in grocery store shelves, probably into March, and then at that point, we'll have ... In April and May we do a ton of potted plant production that we have sold retail off the farm, you know at the farmers markets. And have been expanding over the past few years our wholesale sales of those. So we actually sell to all of the garden centers around Bozeman, we have our own UPC plant stakes with what it is, and that it's from Strike Farms, and that it's organic. So that's our big cash flow crop in the spring is potted plants out of our greenhouses. So that's kind of a big thing, and then the remaining acres are ... We do a decent amount of wholesale herbs. Cilantro, parsley, and basil, and bunched kale and chard, and a little bit on the bunched roots.
- Dylan Strike: And then everything else is kind of our CSA mix. So we've got our core wholesale stuff, and then we do a lot of things specifically just for CSA. And something that's new this year, is we've actually been partnering with other farms, and specifically a growers co-op over in Missoula, Montana, which compared to Bozeman is a super balmy growing climate. Still pretty rough, but not quite as extreme as over here. And so there's some crops that we're flying in this winter. They do a really good job with storage onions, and shallots, and winter squash. And since we expanded our CSA quite a bit, we're flying those in, because we don't have enough of our own this year. But next year, we're actually completely cutting out onions, and garlic, which when I tell people the garlic one, they're like what? Garlic's the best crop, it's so easy.
- Dylan Strike: But for us, it's trying to cut out those crops that are not really the weekly same thing that we're doing all the time. That all of a sudden it's like oh, we have to get all the garlic in and cure it, and we have to have greenhouse space to do that. And same with the onions. Especially the onions, we've had a really hard time storing those, because it's always a race in the fall. You have such a short season that half the time they're not really ready to come out of the ground. But stems are too thick. They don't store very well, and then there's always growers in Missoula that do an amazing job growing onions, and they store forever. So we're going to be flying in a lot of those.
- Dylan Strike: And then next year, this whole season, we stopped growing potatoes, because there was a fourth generation, I think they're fourth generation potato farm in the valley, that I can't remember how long ago, quite a while ago. They started doing a few acres in kind of one of their pivot corners that wasn't really being used. And they started doing that in organic, so they're a large conventional potato farm. But they have all this acreage in organic, and so we can buy it from them for our CSA, and it gives them a consistent outlet. So we're buying in quite a bit of volume. I think this year will be over 10,000 pounds of potatoes. Because we've got our 250 CSA members for so long. And again, goes along with our mission of just normalizing it, and making it more accessible.
- Dylan Strike: Something that I really want to do is really focus on what we do well, and let other farmers focus on what they do well, and we're pretty good at the marketing and sales. And so we can buy in large volumes from some of these places, because we can move them. We've got the CSA, I've figured that part out. So that's kind of how the cash flow works. And as far as rotation, basically I have a six year rotation. Like I said earlier in the show, we keep a third of our production out for full season cover crop. And the reason for doing that is that at least on the original property, it had a really low annual weed seed bank, and I wanted to keep it that way. So I was pretty



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terrified of bringing in manure from anywhere, and ruining that really fast with millions of pigweed seeds, or whatever.

Dylan Strike: So rather than applying manure, I've been using granulated composted turkey manure for our fertilizer, and we use sustained for that. So do a lot of our fertility through that. And our drip system, we use fish. But for organic matter, decided to just grow it, and in our cover crop years, we can get two full stand cover crops, and then still get enough fall seeded winter annual if we want to for the next year. And so that also allows us to manage weeds better, just being able to weed an entire field, instead of ... especially our perennial weeds. They just use some bare fallowing, and work on them when we don't have crops growing.

Dylan Strike: Let's see, and so basically we'll have a cover crop year, and that will be followed by, year after that is root vegetables, followed by another cover crop year. And then we follow that with our baby greens, and then the year after that is we just call it the hot crops. Everything we do on plastic, which is all and cucurbits out here, and our cut flowers, I forgot to mention that one, that's a decent amount of what we do. This year we had an acre of cut flowers that we were doing through grocery stores, and direct to brides, and event planners for stuff like that.

Dylan Strike: If I really tried to piece those together, kind of throughout the year, because we have a super short growing season here. And it's like on average like a 90 day frost free, which doesn't really mean anything. We can get a hard frost in middle of August, and all our hot crops can be done. So another thing we've done to kind of balance that out, is partnered with my friend Patrick Burr, who owns Roots Kitchen and Cannery. And he also started the same year I did, but does processing of local produce.

Dylan Strike: And so we contract with him, we give him our produce, and pay him a set amount per jar to process it for us. And then we have that in all of our winter CSA shares and our early summer shares. So we've got a little more diversity, and it's really nice having a shelf stable product, instead of all the fresh produce that we do. So we've kind of done a bunch of stuff like that to really just ... My kind of long term goal is to ... and this year we're with as much storage production as we did, and with all the processing, and having more greenhouses, we're really doing a lot more sales all through the winter. So I'm really trying to balance that out as much as possible, because it's hard to make all of your money in three months for the whole year. And to allow for employment.

Chris Blanchard: Yeah, in a short season climate like Bozeman, I think that would be a huge challenge, and especially for what you said, to keep business systems like the employment running for a long enough period of time that maybe you can attract back the same people year after year.

Dylan Strike: Exactly.

Chris Blanchard: Awesome. With that, I'd like to turn here to our lightning round. First, we need to get a word from one more sponsor.

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Dylan Strike: My favorite tool is the internet, I love having ... I don't know how anyone did anything without having an iPhone and Google. So like so many of the issues you run into are like you need to figure something out, and there's probably a YouTube video on how to do it, or some article about it. Yeah, it's funny, I've listened to your show before, and I thought about that one, I'm like what do I use more than anything? And it's definitely just having the internet at your fingertips, and the information that's out there. And if you need to know something, you can figure it out.

Chris Blanchard: It does strike me sometimes when I think back to the dark ages when I started my own farm in 1999, and using dial up. And just the complete change in information resources, and even in community that's available. I mean the things that you can learn now Instagram, or like you said, watching on YouTube. Having places to ask questions on Facebook on a daily basis, rather than just once a year at a conference. It's pretty amazing.

Dylan Strike: Yeah, the Instagram thing started originally as kind of a marketing thing, but now I use it almost more as an information sharing thing. I follow so many farms, and pretty amazing how I feel like as a community, everybody is really open, and likes sharing the cool things they've figured out, and you just scroll through it's like oh wow, that could totally change things for us if we tried that. And that takes a second to look at, and like I said, you don't have to go to a conference and find that person.

Chris Blanchard: What's your favorite crop to grow?

Dylan Strike: Kind of a toss up. I really like growing greenhouse tomatoes, but I've really been into the storage crop, and especially carrots. Especially after this year, just how extreme everything was, it's really fun growing a crop that is meant to grow here, because we do a lot of stuff like ... I was actually just down in Austin, and I visited Johnson's Backyard Garden's, and saw what it's like when you can grow year round.

Dylan Strike: Some of the stuff that we do in Bozeman, like they just laugh it, because it's so silly how much work we do to try to grow red peppers. But growing a crop like carrots, that just thrives with the cool nights, and it's frost proof. I mean we're getting frost, and the flail that we have on three of our properties anyways is more of a clay loam, and the carrots just do so well. And even when it's hot, it holds moisture, it's fun growing something that wants to grow here, instead of some of the things we try so hard, and then they get totally hailed out.

Dylan Strike: That's the other thing with the root vegetables, it's nice having stuff that's underground. That's kind of our crop insurance, with as much hail as we're getting, and with climate change, that's what they're predicting for here is just more hail anywhere there's hail. Nice we're going to grow more root vegetables.



- Chris Blanchard: Do you have a farming superpower?
- Dylan Strike: I think what I'm good at is just kind of putting the big picture pieces together, and seeing opportunities, and kind of being able to jump a bunch of steps into the future, and see what can be ... I think that's my skill, but also my detriment a lot of times. Because I see too many opportunities, and then it turns out somebody actually has to do the work to make them happen.
- Chris Blanchard: Your superpower and your kryptonite all at once.
- Dylan Strike: Yep, yeah. Nice and bundled.
- Chris Blanchard: And you are a relatively young farmer, but if you could go back in time, and tell your just getting started farmer self one thing, what would it be?
- Dylan Strike: I would tell myself that I don't need to go so fast, that I can take a little bit more time. Especially over the last couple years, like I'm 26, and a lot of my friends are just now trying to decide what they really want to do, and they've just been kind of playing, and doing all sorts of fun stuff.
- Dylan Strike: Part of me wishes I would have spent more time doing that in my early 20's, but at the same time I'm really happy with what I've built, and where I'm set up now. Now I can have more fun that things are more established. But I think I'd just tell myself that I don't need to be in such a rush to get it all done. And I would tell myself to hire a bookkeeper, day one. I think every farmer should do that.
- Chris Blanchard: That's the advice that your beginning farmer self might have been more likely to take.
- Dylan Strike: Probably.
- Chris Blanchard: Dylan, thank you so much for being part of the Farmer to Farmer Podcast today.
- Dylan Strike: Thanks so much for having me, this was fun.
- Chris Blanchard: All right, so wrapping things up here. I'll say again that this is episode 146 of the Farmer to Farmer Podcast. You can find the notes for this show at Farmer to Farmer Podcast.com, by looking on the episodes page, or just searching for Strike. That's S, T, R, I, K, E. The transcript for this episode is brought to you by Earth Tools, offering the most complete selection of walk behind farming equipment, and high quality garden tools in North America, and by Osborne Quality Seeds, a dedicated partner for growers.
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