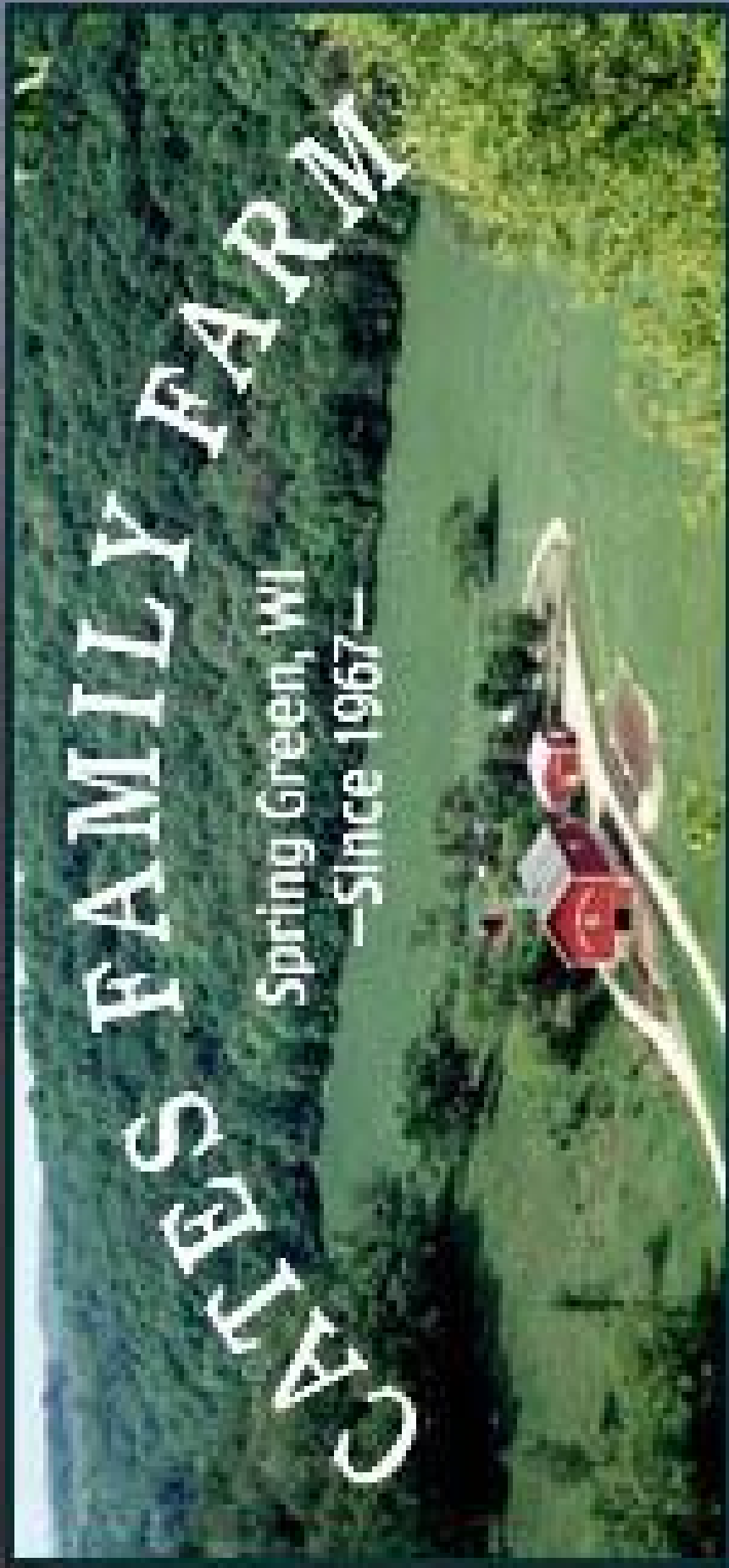


CHARLES FAMILY FARM

Spring Green, WI

—Since 1967—



I started contract grazing after trying everything else.



“The history of every nation is eventually written in the way it cares for its soil.”

- Franklin Delano Roosevelt

“But for the fact that the earth is covered with a few inches of top soil, and it rains, the rest is moot.”

-Some guy



Before contract grazing we overwintered our livestock.



WORLD of COW

By Stik



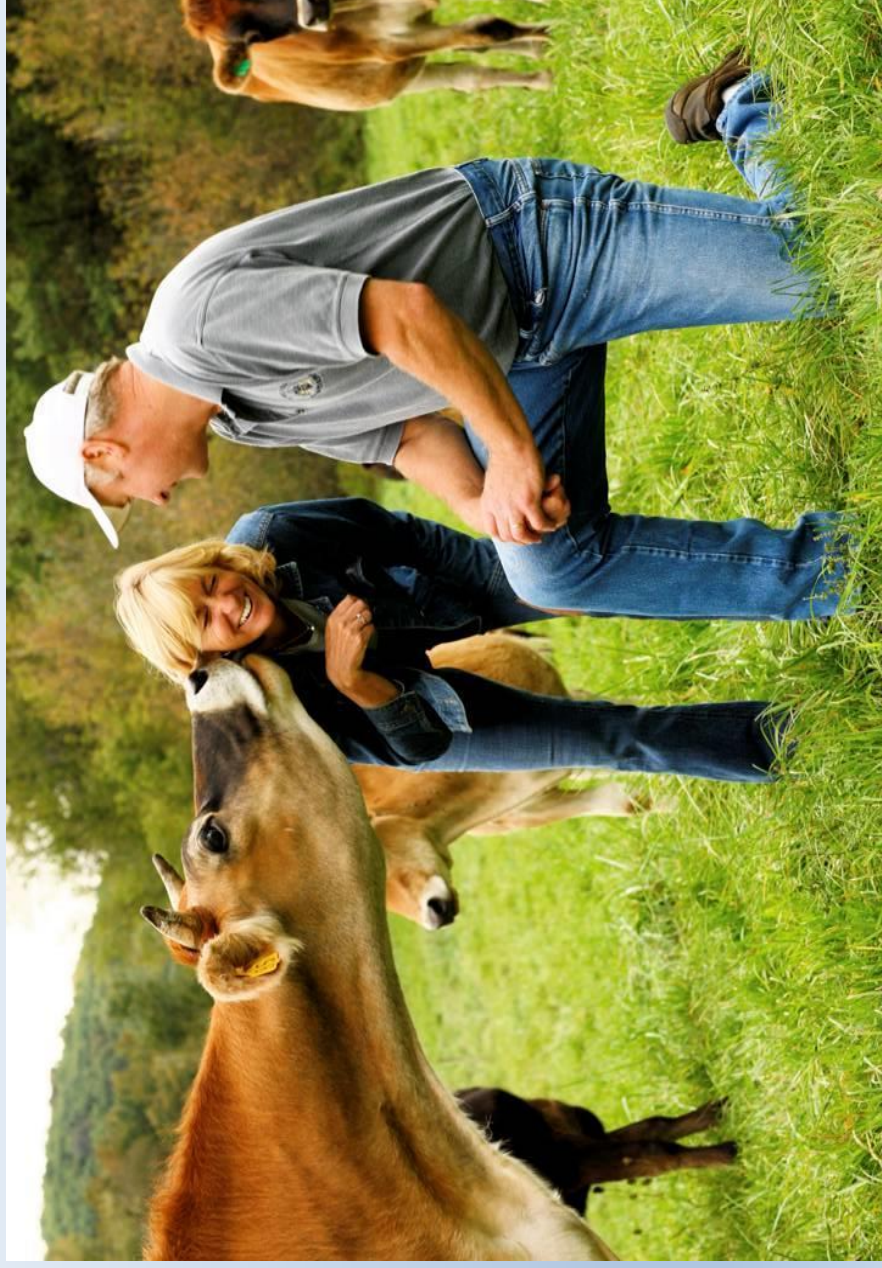
Before contract grazing we overwintered our livestock.



Farming success to me is the water leaving our farm cleaner than when it entered our farm.



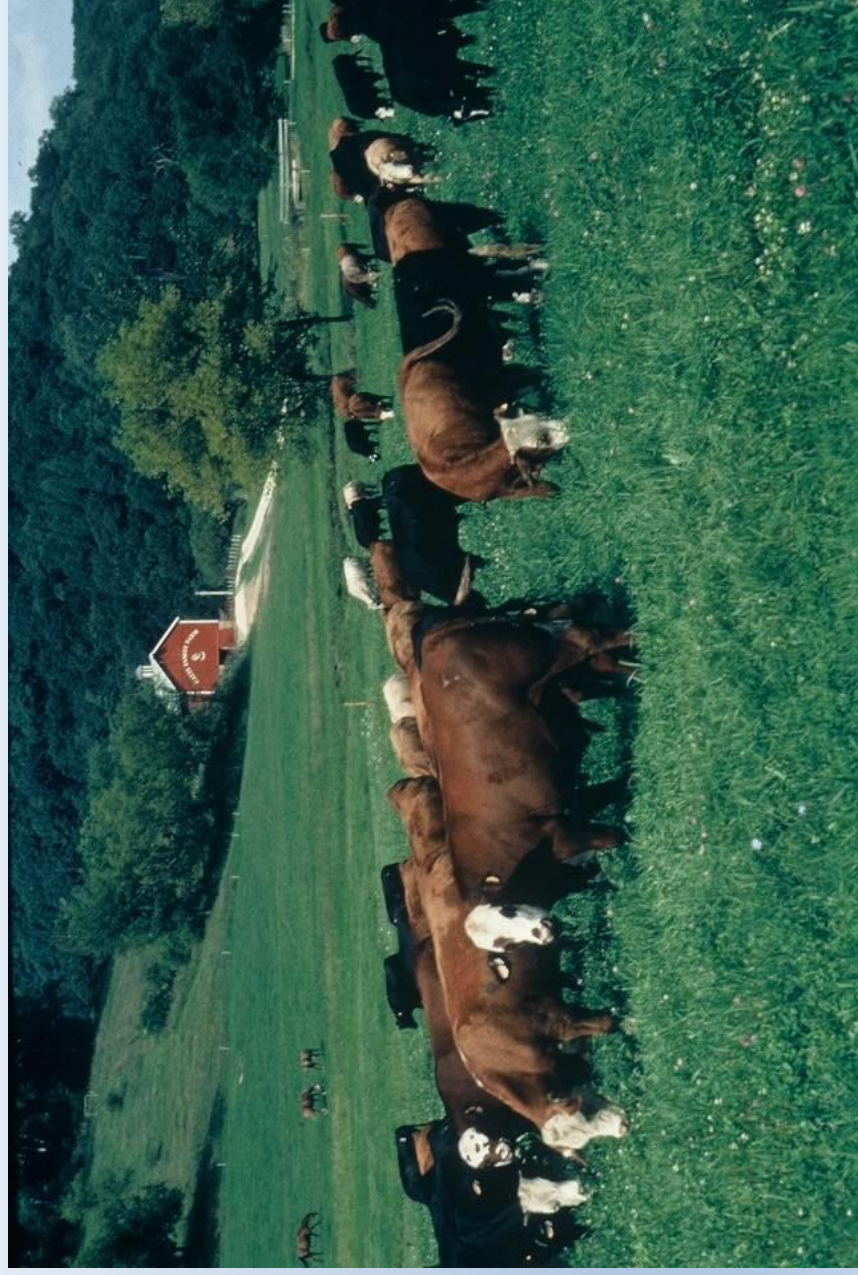
Our goals: family well being; farm profitability; producing affordable, healthy food from livestock humanely-raised.



Our goals: model grasslands management.



Our goals: model environmental stewardship practices.

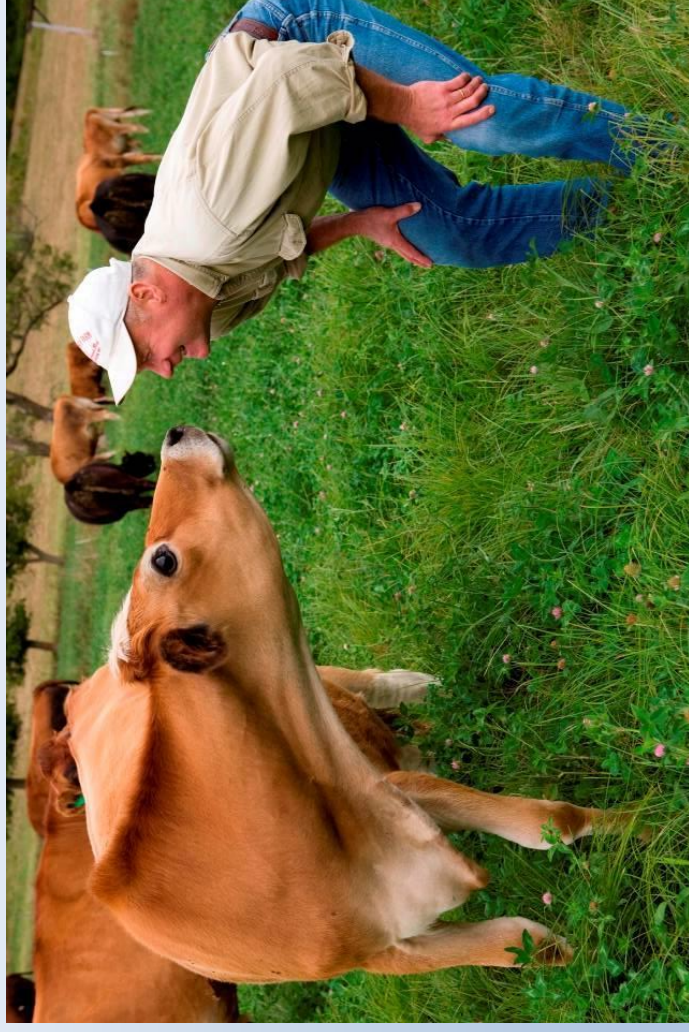


The resource that most helps me to farm is my family.



The keys to our business success:

- Direct market value-added grazing beef enterprise with livestock ownership.
- Contract grazing without livestock ownership.
- K.I.S.S.



My measure of farm financial success is the bottom line.

CATES FAMILY FARM GRASS-FED BEEF ENTERPRISE BUDGET

Assumptions: 90- 100 acres pasture; 100 steers spring-time
 Approx. 40% steers over-winter; approx. 60% steers are harvested each year (Jersey and
 Angus ave age at processing has been 27 (23- 29) mo and 22 (16- 27) mo respectively)

EXPENSE CATEGORIES	PER HEAD
Initial steer purchase	\$807
[Jerseys ave \$586 (1.50/lb) @ 391lb; wghts ranged 303-487lb; Angus ave \$1028 (\$1.80/lb) @ 571lb; wghts ranged 442-651lb]	
Steer purchase interest (5%) and insurance (\$2)	\$40
Pasture rent (\$50/acre)	\$50
Pasture mowing (\$20), clover seed (\$4), and thistle control (\$1)	\$25
Salt and mineral (\$2) and de-worming/vet treatments (\$3)	\$5
Winter hay (40% of herd fed 120 days, @ 20lb/hd/day; hay at \$100/ton)	\$22
Freezer operation (\$7), and insurance (\$5)	\$12
Marketing (Website, internet, telephone, promotional listings, samples)	\$16
Trucking to Black Earth Meats (4-6hd per trip)	\$24
Processing (slaughter and cutting only; doesn't include smoked meat processing)	\$270
Beef delivery	\$75
Fuel/Supplies/Repairs	\$50
Office	\$5
Miscellaneous (5%)	\$73
TOTAL EXPENSES	\$1524
TOTAL INCOME (based on 2008 prices)	
Households (360lb-400lb @ \$5.00/lb)	\$1800- \$2000
or, Restaurants/stores (360-400lb @ \$5.36/lb)	\$1930- \$2144
[As reference, Chicago Mercantile Exchange: 900- 1000lb beef steer @ \$130- 150/CWT; Jersey steer <i>much</i> less	\$1170-1500]
NET INCOME (return to unpaid labor, management, capital, other)	\$276- \$620

IMPORTANT ADDITIONAL INCOME NOTES:

Summer sausage (10oz logs at \$6.75/log; \$2.49/lb processing cost) adds \$3.81/lb to the value of ground beef at \$4.50/lb
 Holiday boxes add \$10-\$12/box to the value of (approx.) 1.87lb Summer sausage and/or Beef sticks



My quality of life as a farmer involves clean water.



My quality of life as a farmer allows time for my family.



My quality of life as a farmer involves looking forward to the next generation.

