

# Value-added Agricultural Success Story

## *Hatcher Family Dairy*

This story is one of a special series of value-added agricultural enterprise successes in Tennessee. The entrepreneurs featured have worked with specialists at the Center for Profitable Agriculture in different ways to achieve various levels of start-up, sustainable and long-term enterprise success. I hope their stories will be interesting, informative and inspiring.

*Rob Holland, Director, Center for Profitable Agriculture*



From L to R: Will Hatcher Wallace, Lucy Hatcher, Jim Hatcher, Jessica Crowell, Charlie Hatcher, Sharon Hatcher

For five generations, the Hatchers have been milking dairy cows on the same land near College Grove in Williamson County. In 1992, brothers Jim and Charlie reopened the dairy for commercial sales. As with most dairies, they experienced fluctuating prices for their milk. For the dairy to survive, the Hatchers had to figure out a way to increase profits that would be sufficient and sustainable.

In 2005, the family began to consider processing, bottling and marketing their own milk, thus cutting out the middleman. The Hatchers sought advice from UT Extension, including the Center for Profitable Agriculture (CPA), and fellow farmers doing similar things.

Experts at the Center offered guidance through educational materials, conferences and other tips. "Rob Holland and Megan Bruch were instrumental," Charlie said. "The market and feasibility studies they conducted showed us how much milk we would have to bottle and sell in order to make this work."

The decision process took the Hatchers about six months. They felt the venture was risky, but after educating themselves and making a commitment to each other, they decided to take the leap.

Next, the brothers called on DeWayne Perry, UT Extension director in Williamson County. Perry worked closely with the Hatchers to help convince county commissioners to make changes in zoning laws that would allow a milk store and the possibility of processing in a rural area of the county. Not only did this help the Hatchers proceed with their plans but, as Perry explains, "An important thing about this effort is that it opened the door with county planning to attract other value-added and agritourism projects to our county."

The Hatchers also had to navigate the stringent rules and regulations for dairy processing and product retailing. Luckily, they were able to form a unique processing partnership with Middle Tennessee State University



The sister and brother farmers market sales team – Lucy Hatcher and Charlie Hatcher, in front of their delivery truck.



*Rich Reid, owner of Frisky Berry Coffee Company, a local bistro that utilizes, sells and promotes Hatcher Family Dairy products. Reid sets up a farmers market booth next to Hatcher Dairy every Saturday at the Franklin Farmers Market.*



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(MTSU). In exchange for the family's donation of a state-of-the-art bottling unit, MTSU agreed to process and bottle the Hatchers' milk in the short-term.

In May 2007, the first milk was processed, and the Hatcher Family Dairy Store opened on their farm. "The MTSU arrangement has been great for us," Charlie says. "It has saved us considerable time and effort in learning the regulations and techniques for processing. Basically, they've taught us everything we needed to know to run our own facility." The MTSU arrangement also allowed the Hatchers to test and build the market for their products without a major initial investment for all the equipment and facilities needed for processing.

Hatcher Family Dairy currently bottles their milk as whole (non-homogenized), 2 percent, skim, chocolate and whole cream, available in half gallons and pints. They hope to offer one-gallon jugs in the future.

Besides the on-farm retail store, Hatcher milk is often available at the Franklin Farmer's Market, area grocery stores and coffee shops. The Hatchers believe their presence at the farmers' market is great for promoting their products. Says Lucy, "People want to know where their food comes from and how the milk is produced. We talk with them about how our cows are raised, our rotational grazing and how it makes our milk a premium product."

Of the eight family members involved, only Jim and Will work full-time in the business. The others have outside jobs. "We all sacrifice personal time and interests and put in long hours to make this business run," says Charlie. Adds Lucy, "We grew up working on the farm. It was a way of life and not a chore. We have a lot of fun together. It wouldn't work if we didn't."

The Hatcher family's future plans include building their own small, on-farm processing facility, and they want to add packaged items such as butter and ice cream to their product line. They are also optimistic about including farm tours as a potential income source.

"People want to see the farm and we want to educate people about agriculture," says Charlie. "It's the only business I've ever been involved in where every day we have people tell us how much they appreciate what we're doing. That makes it worthwhile."

**The mission of the Center for Profitable Agriculture is to help farm families improve income by identifying new ways to add value to food and fiber products through processing, packaging and marketing. We focus on three areas:**

- Working with families and entrepreneurs to analyze value-added agricultural enterprises;
- Implementing market development studies to determine the viability of new products;
- Conducting educational programs for Tennessee farmers and agricultural leaders.

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