



The *New* American Farmer

Jim Morgan and Teresa Maurer

Fayetteville, Arkansas

Summary of Operation

■ *120 Katahdin Hair sheep on 25 acres*

■ *Buying and marketing lamb from a small producer pool*

Problem Addressed

Establishing an ecologically and economically sound operation. Jim Morgan and Teresa Maurer developed their farm gradually, employing direct marketing, rotational grazing, grass finishing and improving animal quality through breeding to better negotiate shifts in marketing opportunities and the weather.

Background

Growing up on a Kansas wheat, sorghum and cattle farm, Jim Morgan would not have suspected that he'd become a full-time farmer, let alone one who raises sheep. Despite working for more than two decades as a university instructor and researcher, however, Morgan did not lose interest in agriculture.

In 1985, Morgan and his wife, Teresa Maurer, got “hooked” after hearing a lecture given by Wes Jackson on ecological agriculture, a concept that married Morgan's interest in farming and the environment. The couple moved to and purchased 25 acres near Fayetteville a few years later. Maurer, who had worked on a demonstration farm at the Kerr Center for Sustainable Agriculture in Oklahoma and for Heifer Project International, was interested in raising small animals.

Maurer offered to let neighbors graze sheep on their property, and volunteered to buy the herd a few years later. “Jim said, ‘This is your deal — my brothers won't let me come home if they knew I had sheep,’” Maurer recalls. But by 2000, Morgan decided to make sheep farming his full-time occupation.

Manager of the Appropriate Technology Transfer for Rural Areas (ATTRA) program, a national sustainable agriculture information clearinghouse, Maurer drew on ATTRA resources about rotational grazing, animal behavior, and animal and plant physiology in her farm planning.

Maurer and Morgan say that their combination of on and off-farm work is a key element enabling them to achieve their goals.

Focal Point of Operation—Raising and marketing lamb and Katahdin sheep

Morgan and Maurer focus on marketing their meat locally, and on breeding and selling registered Katahdin sheep.

Low wool prices since the early 1990s and the difficulty in producing good quality wool in the southeastern United States encouraged Morgan and Maurer to raise hair sheep instead. They like that Katahdins are self-sufficient and perform well in a humid climate. They twin well on grass, have their lambs right on pasture, and are good maternal animals, helping their young to nurse. Moreover, Katahdins don't require shearing, since their winter coats shed when temperatures warm.



To keep their sheep healthy, Teresa Maurer and Jim Morgan monitor pasture growth and minimize animal stress by keeping stocking densities low.

In 1997, Morgan began breeding to improve the consistency of his animals' growth and boost meat production. In 2003, he sold 34 ewes as registered breeding stock, providing buyers with detailed information about genetics.

Selling registered animals as well as meat diversifies their income, "which is critical as small farmers involved in the business of direct marketing," Morgan says.

Maurer and Morgan buy lambs from four other farmers for re-sale. They pay consistent and highly competitive prices of \$1 per pound live weight to the farmers and boost their sales supply—to about 150 animals in 2003. The different growth rates and finishing times for lambs on the four other farms helps stagger meat processing.

"There's more money to be made when people help each other," Morgan says. Pooling meat helps support several family farms while addressing "the puzzle of getting customer demand to fit what we can produce," he says.

Morgan and Maurer sell meat to natural food stores, restaurants and at the local farmers market. They also sell half and whole animals to individual buyers. Recently, Morgan has focused on learning how to sell more meat to upscale restaurants. In 2003, he was pleased that their lamb was showcased at restaurants during three special meals featuring locally produced foods. While most restaurant managers want to buy only large quantities of certain cuts of meat, at least one chef has expressed interest in using a wider range of cuts, in volumes Morgan can supply.

Economics and Profitability

Gradually, Morgan and Maurer have grown their flock to 40 ewes, with about 80 lambs born each year. Morgan sells lamb for prices that can range from \$4 to \$12 per pound, with registered animals for breeding stock selling at "three times the price."

For customers to pay higher prices than those found at conventional outlets, Morgan and Maurer stress the high quality and healthfulness of their meat.

Typically, Morgan and Maurer's customers are interested in gourmet quality and antibiotic-free meat, and/or are interested in meat from humanely raised animals. Morgan and Maurer stress these selling points in their marketing efforts.

Morgan and Maurer follow a sales model used by Texas cattle ranchers Richard and Peggy Sechrist (see page 132), setting their retail prices 26 percent above estimated production costs, a margin that covers expenses for advertising, delivery and any damaged or unsold product.

Maurer and Morgan have been able to avoid buying additional land in their area, where rapid development has boosted prices to \$5,000 per acre, by having their sheep graze on neighbors' properties in exchange for meat and the grass trimming service.

Because their sheep graze on non-contiguous parcels of pasture, portable and permanent electric fencing have incurred significant costs. For example, fencing a 20-acre pasture cost about \$10,000.

Grass grows 11 months of the year near Fayetteville. If you stock your pasture correctly and rotate animals wisely, you rarely need to purchase feed, Morgan says. However, it's important to monitor grass growth rates and the animals' nutritional needs.

Transportation to and from the meat processor 65 miles away remains one of the operation's major expenses. "One of the hardships that any direct meat marketer is faced with today is the decline of small meat processors in this country," Morgan says.

To calculate net income, Morgan tracks the number and weight of cuts that he receives from the processor, how much he has sold, and transportation and other costs.

Environmental Benefits

Morgan and Maurer care deeply about achieving ecosystem health and function on their farm. “Our guiding principle in farming is to produce food in an environmentally sound manner,” Morgan says.

Rotationally grazing their sheep enhances the health of their herd and pastures. In fact, Morgan says he regrets not having established baseline information about their soil fertility, as “just by eyeing the pastures, in certain areas you can definitely tell there’s been an improvement.”

If an animal’s having a problem, they’re more likely to see it, since they’re with the animals once or twice a day as they shift to a new pasture.

Morgan and Maurer have eliminated most of their sheep health problems using a variety of techniques that minimize animal stress, such as keeping stocking densities low and training them to follow one another to new pastures, rather than being driven by dogs.

Striving each year to raise as many grass-fed animals as possible, Morgan closely monitors pasture forage volume, taking care to protect plant populations and to limit over-accumulation of parasites from manure. He returns sheep to pastures about every 40 days. Moving animals at the right rate “gets as much milk out of the mother and into the lamb as possible,” maximizing returns on pasture and animal production.

To boost plant growth where vegetation is sparse, Morgan limits the movement of the herd, providing hay and allowing the sheep some time to deposit manure. Afterward, with high levels of organic input and conditions suitable for good soil-seed contact, Morgan will overseed with clover, annual ryegrass and vetch, and on occasion, cereal

grains such as wheat or rye.

Community and Quality of Life Benefits

Morgan and Maurer are devoted to exchanging information and ideas with others about Katahdin sheep improvement, rotational grazing and grass finishing, and sustainable agriculture. They contribute time for several organizations, which they say helps “bring a larger perspective” to their farming.

Aside from tending to the sheep, Morgan is the vice president of a local community development program for sustainable business, and he serves on the Southern SARE administrative council, helping to make recommendations on funding for farmer projects. With Maurer, he also shares responsibilities in managing a nonprofit hair sheep organization that registers and records animal performance, assists with marketing and encourages research and development.

Morgan regards his work with various committees and consulting, as “part of the puzzle of successfully managing my meat business. My total hours worked each week have gone up, but the quality of my life has gone up too. I get such satisfaction out of providing food directly to people.”

Transition Advice

Maurer and Morgan strongly recommend evaluating the amount of time it takes to farm. “Several publications that showcase grass farmers paint the picture too rosy” in terms of the effort required to successfully manage an operation, Morgan says. With their operation now in a growth phase, “you feel the hours a little more,” Maurer says. Having people trained to be temporary caretakers when you need to leave the farm for short periods is helpful, she says.

Morgan suggests raising other livestock in addition to sheep, because “breaking a

monoculture” provides unique benefits. For example, “cattle and sheep can digest each others’ internal parasites,” he says.

Do not be discouraged if your animals initially do not seem to be enticed by pastures populated by wild plants, say Morgan and Maurer. While the sheep once wouldn’t eat Lespedeza, now they go for it first, Morgan says.

To become a successful direct marketer, it helps to identify local marketing opportunities. Marketing through a variety of outlets helps provide access to customers interested in different cuts, Morgan says.

If possible, market to high-end customers, they say. “Fayetteville is an upscale area where people interested in the kind of meat we produce are rapidly moving in from other parts of the country,” Maurer says.

The Future

They have begun to devote more attention to sheep breeding to get better animals for meat. They hope to broaden local interest for their lamb by promoting their meat more frequently through talking with chefs, and distributing flyers and e-mail messages.

That the business is progressing has become increasingly obvious. “For the first time ever this year, from August 15 to October 1, I was completely sold out of lamb. That was a good feeling,” Morgan says.

■ Amy Kremen

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