



## The *New* American Farmer

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Chuck and Mary Smith

New Castle, Kentucky

### Summary of Operation

- *Alfalfa, tobacco, organic gardens, vineyard*
- *50 beef cattle, 100 turkeys, 3,000 chickens raised using management-intensive grazing*
- *Farmers markets, direct-marketed organic beef*

### Problems Addressed

*Declining public support for tobacco.* Like many Kentucky farmers, the Smiths have struggled with their dependence on income from tobacco almost since they started farming. Political pressure and weakening federal interest in the national price support system have caused the market to constrict. At the same time, free trade agreements are allowing cheaper foreign tobacco into the market. No crop commands as much per pound as tobacco, especially one that calls for just a small acreage.

*Poor soil.* The Smiths started farming on poor soil worn by years of erosion. Crops had been grown up and down steep hills without regard to contours, encouraging extensive erosion.

*Extensive drought.* A 1983 drought forced the Smiths to borrow money to feed their fledgling dairy herd. They were still paying off the loan when the next drought struck in 1988. “We realized then that we were probably always going to be paying the bank to feed the cows, so we got out of dairying altogether,” Chuck says.

### Background

The Smiths’ farm lies in Henry County, a region of rolling hills near the confluence of the Ohio and Kentucky rivers 45 miles east of Louisville. The land has been farmed for 200 years, often poorly, with tobacco as the focus, but with a nearly ruinous run of corn and soybeans in the 1960s and ’70s.

Both Chuck and Mary were raised on farms in Henry County, and Chuck says he knew farming was all he’d ever want to do. Mary wasn’t as certain early on, but now says she can’t imagine another or better way to live. Soon after they moved onto the farm in 1982, they developed a long-term strategy to certify much of their acreage as organic.

For a time the Smiths concentrated their energy on establishing a business off the farm: their county’s first ambulance service. They kept growing tobacco, but with their cows gone they stopped growing silage corn, instead selling hay off their pastures.

When they sold the ambulance business and returned to full-time farming in 1992, they had received organic certification for all but their tobacco fields, and that opened new avenues. The Smiths decided to reintroduce cattle, but to raise them entirely on pasture, with no supplementary feed. They adopted management-intensive grazing practices, and started marketing what is still the only certified organic, grass-fed beef in the state.

They also began producing organic vegetables, first selling as part of a community supported agriculture

(CSA) operation, and then selling their produce and organic beef at farmers markets in New Castle and nearby Louisville.

At market, the Smiths were asked often enough by their customers about chickens that they added pastured poultry to their list of offerings in 1997. In 2000, they planted four acres of vineyard, with plans to start bottling and marketing wine in five years or less.

“I’m trying to do anything I can think of to have a place my kids can come back to and farm after getting their educations,” Chuck says. “To do that, I need to leave them a place that isn’t played out, and an operation that makes a decent income. That’s why we’re trying all these things.”

#### Focal Point of Operation - Diversification

The Smiths’ tobacco allotment under the price support program was just six acres in 2000. Nonetheless, the crop proved a boon to their profits. They grow tobacco alternating with an alfalfa cover crop — every two years they rotate from alfalfa to tobacco and back again. Each winter, they plant rye before the spring planting.

They practice intensive rotational grazing. In the spring and fall, their small cattle herd grazes on permanent fescue and clover pastures. In the summer, the cows graze on an alfalfa/fescue mixture that Chuck sows in late April. Each day, he moves the cattle to fresh pasture demarcated by movable fence.

The Smiths raise about 3,000 chickens and 100 turkeys per year in portable pens on pasture. They supplement the alfalfa and mixed grasses in the pastures with commercial feed free of hormones and antibiotics, although it is not organically certified. The poultry manure, along with composted carcasses, supply nutrients to their soil.

The Smiths butcher and package the chick-



Jerry DeWitt

*Chuck and Mary Smith raise about 3,000 chickens and 100 turkeys per year in addition to beef, vegetables and wine grapes.*

ens on the farm, since there are no federally approved meat processing plants in the area that will handle poultry. They process about 200 chickens every two weeks, reserving the turkeys for the Thanksgiving and Christmas markets, when they reach an average of 20 pounds. As with their organic beef, they sell their chickens and turkeys mainly through word of mouth, and by limited advertising at the farmers markets they attend in New Castle and Louisville.

Even though the Smiths helped establish the New Castle farmers market, they recently decided to scale back vegetable production to focus on new enterprises. Yet, in 2000, they still raised several different vegetables, such as lettuce, broccoli, cabbage, sweet corn, tomatoes and green beans, on two acres.

In a new venture they expect will prove more profitable, the Smiths planted a four-acre vineyard in 2000. Chuck is monitoring the plants he purchased from California and Missouri to see if they can thrive without the use of synthetic pesticides and fungicides, and is hoping to expand the vineyard by at least another acre.

#### Economics and Profitability

The Smiths can count on netting about \$2,500 per acre from their tobacco. They sell their processed chickens for \$1.65 a pound, with an average dressed bird weighing 3.5 pounds. Their turkeys dress out to an average 16 pounds, and will sell for \$2 per pound. The costs associated with raising the poultry are minimal, although processing is a family effort. It can take four to five people an entire day to slaughter 175 birds. In the end, they net \$3 or \$3.50 per chicken.

Their organic beef sales to individuals bring in about \$4,000 per year. Chuck still sells cows at auction, where they bring prices lower than he can get through direct sales, but because they have few feed costs, he still realizes a profit.

“I haven’t built up enough of a direct market for all the beef I produce each year,” Chuck says. “I don’t get as much for it, but I really don’t pay a lot to raise my cows either, so that extra \$4,000 per year is almost all profit.”

They estimate earnings of about \$2,500

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from their organic vegetable sales. In their rural community, they can't command higher prices and plan to shrink that side of the business to concentrate on their vineyard.

"We are focusing on vineyards as our main project," Chuck says. "It's the only thing that can come close to replacing tobacco."

#### Environmental Benefits

Chuck's soil conservation efforts, rotational grazing practices and decision to go organic with everything but his tobacco has had an enormous effect on his fields' soil composition and water-retention ability. He has slowed erosion, and analyses prove he has returned a balance of nutrients to the soil.

In the beginning, facing poor soil fertility, the Smiths approached a 120-cow dairy across the road and worked out an arrangement to take some manure each year to improve the resource. "They didn't want the manure, but they wouldn't deliver it, so we hauled it across the road and did it ourselves," Chuck recalls.

Since then, the dairy has closed, but Chuck applies poultry compost and limes the fields each year. To cut back on erosion, they planted all of the low areas in permanent grass.

"We had a drought in '99 that was worse than the one in '83, but I didn't come nearly as close to losing my pond even though I was irrigating as much or more tobacco with it," Chuck says. "That tells me the ground's holding water better, and that's a great sign." He also has fenced the streams that run through his property to keep cattle from kicking up sediment or fouling them with waste.

#### Community and Quality of Life Benefits

When the Smiths decided to lessen their dependence on tobacco, their new ventures were met with skepticism.

**"I'm trying to do anything I can think of to have a place my kids can come back to and farm after getting their educations,"**  
**Chuck says.**

But reserve has given way to respect and acceptance in the past decade, as other farmers have realized the advisability — and likely necessity — of moving beyond tobacco as their staple. The Smiths' field days are well-attended, and Chuck has been appointed to the board of directors of the local Southern States Cooperative and to the county committee that decides how to spend its portion of settlement money from recent court decisions against tobacco companies.

The Smiths appreciate their stay-at-home jobs. "It's the best way to live," Chuck says. "Mary and I get to stay on the farm and watch our kids grow. They benefited from the attention we were able to give them when they were real young, and a lot of kids just don't get that anymore."

#### Transition Advice

Producers should be prepared to accept setbacks on the road to diversity. "Just know you're going to fail sometimes, and unless you've got just no more money in the bank, it's not the end of the world when you do," Chuck says. "It'll get better, and easier."

The other bylaw for the Smiths is pairing crops with livestock production.

"If you're going organic at any kind of scale other than your own garden, you need livestock," Chuck says. "You need cows, pigs, chickens and turkeys for the manure and for what they'll do for your pastures and your soil if you graze them right."

#### The Future

The Kentucky legislature, in a bid to help farmers diversify as tobacco's fortunes wane, created a program to encourage vineyard planting through cash grants. The Smiths were among the first to take advantage of the program, and the state funded 50 percent of the cost of purchasing and planting the vines.

"Most people don't know it, but Kentucky and Missouri had pretty good reputations as grape-growing regions a long time ago," Chuck says. "It was Prohibition that ended it — they sold or smashed all the equipment, and set back commercial wine production here by 100 years."

He notes that the traditionally wet springs and hot summers that tend to be dry in August and early September are considered promising conditions for grapes, and he's staking a lot on learning how to turn them into a money-making venture. Chuck is renovating his old dairy and tobacco barns as production and storage facilities, and retrofitting a dilapidated buggy shed near the house to act as a tasting room. Soon after his first harvest in 2004, Chuck hopes to be well into wine production as his farm's primary activity.

■ *David Mudd*

#### For more information:

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