CASE STUDY

FARMING PLUS WHOLESALE & RETAIL EQUAL SUCCESS AT EASTERN ONTARIO BUSINESS

In 2018, the Enright Cattle Company is a thriving family business, producing beef and leather goods out of its base in Tweed, Ontario. But the road to success was not always smooth, and getting there took passion, disciplined planning, hard work, learning new skills and taking advantage of unexpected opportunities along the way.

Kara and Darold Enright are fourth generation farmers who sell beef to eastern Ontario restaurants and direct to consumers from their website. Purses, wallets and other goods made from the hides of their beef cattle are also retailed online. While the younger Enrights handle the cowcalf and retail end of the business, Kara's parents, Don and Chris Langevin, raise the cattle from weaning to market weight. The two families also grow enough crops to feed their animals, which are raised without artificial hormones.

> ROUGH START

After graduating from the University of Guelph in 2004, Darold and Kara bought their own farm and

KEYS TO THE ENRIGHT CATTLE COMPANY'S SUCCESS

- Be passionate and resilient
- Write a solid business plan
- Take advantage of opportunities
- Focus on marketing
- Evaluate options and make the tough decisions
- Work as a team
- Invest in technology to increase productivity

The Agri-Food Management Institute (AMI) is bringing Ontario farmers this case study to demonstrate how using good business management practices can contribute to their ongoing success. AMI has taken a leading role in developing resource materials, online training options and hands-on workshops and courses to help producers enhance their skills.

stocked it with a beef herd Kara had been building since she was 14. It was right after Bovine Spongiform Encephalopathy (BSE) was discovered in 2003 in a single Canadian beef cow, closing the country's border to trade, slashing prices and devastating the country's reputation in the beef industry.

"There was no money in beef — we were both working full-time jobs to support the farm, which was not profitable," said Kara. But they persevered, keeping the best heifers and building the herd.

Then, in 2009, with the birth of their first child, they decided it was a 'bit crazy' having to juggle the jobs and the farm and the family. So it was decision time.

Either they could put together a plan to at least make the farm break even, and allow one of them to farm full-time, or sell the herd and keep just a couple of animals to show their children how agriculture works.

"It was difficult to swallow — we were both raised on farms and that's what we wanted to do," she said.

Having to make the decision spurred their determination to go forward, so they developed the plan.

> BUILD A STRONG BUSINESS PLAN

At the time, Kara was leading Grow Your Farm Profits workshops for the Ontario Soil and Crop Improvement Association. The program takes farmers step-by-step through their operations, what business goals they want to meet and how they want to get there. At the end of the process, each has an action plan to move his or her business forward.

"I thought, since I was preaching to other farmers about how important it was, I should probably do it for our own farm," she said.

Kara highly recommends working out a detailed business plan before embarking on a new venture.

"It made everything very clear — our goals, the entire value chain and who was going to do what," she said. Darold and Kara's parents were also deeply involved in writing the plan, which provided a real sense of ownership and engagement in getting the company started.

> TAKE ADVANTAGE OF OPPORTUNITY

Initially, the Enrights sold their beef at local farmers' markets, where Kara said they learned a lot about consumer preferences, what cuts were selling best, and how to conduct business.

The move to wholesale and supplying restaurants came fairly quickly in 2012 after Derek MacGregor, chef of Le Chien Noir in Kingston, stopped by the stand and bought some beef for his appetizers. He was very pleased with the result, wanted to put more on his menu and Kara recognized a big opportunity with the 'ton of restaurants' in eastern Ontario that could be supplied with Enright beef. At the time, the couple was looking to take the next step anyway, because while the margins were high at the farmers' markets, the volume of product they sold was lower than they wanted. They had to be at the markets every weekend, which was taking a toll on the time they could spend as a family.

They approached different restaurants, established relationships with a few of the key owners and chefs, and word about the quality of their locally grown product spread through the industry.

They then bought a refrigerated truck with the help of a food safety grant they received from the government. They also sold the equipment they needed for the farmers' markets and reinvested the proceeds into branding and promotion.

The Enrights now sell to restaurants from Toronto to Ottawa and many points in between. They also run an online retail store where they directly sell many different cuts of frozen beef.

> DEVELOP A SECOND REVENUE STREAM

While brainstorming with their marketing team one day, someone came up with the idea of perhaps making restaurant menu covers with the leather from the Enright's cows.

While it seemed a crazy notion at first, it stuck in Kara's head, and over the course of a year, they were tanning hides from their harvested animals and had engaged a local leather artisan. While they don't make menu covers, they do sell a wide range of handmade purses, wallets, briefcases and other products online.

"The products have a unique value proposition — you can't just walk into any store and get these particular items," she said.

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> TRACEABILITY KEY TO FOOD SAFETY AND EFFICIENCY

One of the best business decisions Kara said they made when their sales started increasing was implementing a bar code traceability system that tracks the beef cattle from birth to the sale of the meat.

Working with a computer programmer, they designed a system that uses the animals' electronic ear tag to document the different events in its life.

"We can trace when the animal was moved, what their weight gains are, when they're shipped to the abattoir and harvest weights," she said noting that the system makes their lives simpler and more organized. It is also a big help in terms of improving the productivity of the herd.

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When a piece of meat is sold, its bar code contains a great deal of information including what animal it came from, the cut, the weight and when it was packaged, making it easy to trace back in the event of a recall. Scanning the bar codes also makes invoicing customers more efficient.

> MOVING AHEAD

The Enright Cattle Company's future looks bright, and Kara is enthusiastic about building greater awareness of the brand, expanding the herd and increasing beef sales in eastern Ontario.

The next steps include working on the leather goods side of the business by developing a standalone website and embarking on separate promotions.



Overall, the company's marketing includes a mix of social media: Instagram, Facebook and Twitter. The Enrights are also engaging local marketing professionals to help with an on-farm event in the fall of 2018 that will include a beef dinner and fashion show where their leather goods will be on display.

Despite the bumps along the journey, Kara and Darold are where they wanted to be at the outset, as they and their children - now nine and four – are all pitching in to build a thriving, farm-oriented family business.

AMI is introducing a suite of new tools and resources aimed at helping Ontario producers adopt LEAN management principles to increase their productivity. It is also raising awareness of the many regional assets that are available to farm business owners looking to diversify their operations by making and selling valueadded products. Watch for new programs coming soon to www.takeanewapproach.ca

The Agri-food Management Institute is funded through the Canadian Agricultural Partnership, a federal-territorial-provincial initiative.



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