Polyface Farms is a sustainable protein producer located in Virginia, USA in the Shenendoah Valley. Joel Salatin and the Salatin family use creative business and agricultural practices to produce high-quality beef, chicken, eggs and rabbit meat while growing soil and plant fertility on their land.
Introduction
Joel F. Salatin (born 1957) is an American farmer, lecturer, and author whose books include “Folks, This Ain't Normal”; “You Can Farm”; and “Salad Bar Beef”. He has been featured in the well known documentary film “Food Inc” and the best-selling book “Omnivore’s Dilemma”. Salatin grew up farming with his parents where he was greatly influenced by his father’s unconventional farming beliefs including: eliminating use of and dependence on chemical fertilisers; using controlled and rotational grazing which mimics wild herbivores in nature and employing portable structures in farming.

Salatin raises livestock using holistic methods of animal husbandry on his Polyface Farm in Swoope, Virginia, in the Shenandoah Valley. Meat from the farm is sold by direct-marketing to consumers and restaurants.

Polyface farm is a multi-generational family farm which has proven that an ethical and profitable farming business model is possible. Their model is currently being studied and adapted by many farming operations around the world.

Quick facts
- total land: 500 acres (2.0 km²)
- feeding approx. 4,000 families, 50 restaurants and about 20 retail outlets currently served
- yearly revenue: approx 1.5 – 2.5 Million USD
- people on staff (interns, apprentices etc.): +/- 20 people

Polyface Mission Statement
“To develop emotionally, economically, environmentally enhancing agricultural enterprises and facilitate their duplication throughout the world.”

10 guiding principles
No Sales Targets – set goals that are bigger, more noble and more worthy of your life force than simple sales targets. You will end up treating your employees, customers and business differently and will not lose sight of the ultimate objective: do good and heal the Earth and her people
No Trademarks or Patents – Polyface welcomes copy-cats, innovators and anyone that wants to use and employ Polyface techniques like “salad bar beef”, “eggmobiles” and “pastured poultry”. Polyface believes that if you can’t stay innovative and cleverer than the other guys than you don’t deserve to be at the top; it’s this approach keeps Polyface on their toes and on the cutting-edge of beyond–organic farming. Ultimately it’s about healing the Earth and the community and about sharing great ideas than it is about competition.

Clearly Defined Market Boundary – Because local food is a foundational pillar to the Polyface farm philosophy, they have defined their local market area and serve clients located within it, and refuse to serve clients located outside of it. This market boundary is defined as anyone living within a four hour driving distance (approx. 280 mile radius). That’s as far as someone can come, personally check out the farm, and return home in a comfortable day. Defining these boundaries brings emotional and business freedom – if a client from Boston wants a T–bone steak Joel tells her “Find your local land healing farmers and patronize them”. Building an empire is not the goal, especially since we’ve never yet seen an empire capable of integrity, honesty and transparency on all levels.

Incentivised Work Force – Polyface steers clear of employees and opts instead for independent contractors, entrepreneurs and a sales–based incentivised work force to build its team and community. Keep the income earning potential open–ended and your crew eager and excited to prove themselves.

No Initial Public Offerings – two reasons for this 1. A sudden cash flow into any business can leave it confused and floundering more often than not 2. By staying cash–hungry the team at Polyface is forced to innovate year after year and it keeps them on their toes. Slow growth is more sustainable and “higher quality”. Just like organically–grown food is more nutrient dense – and you get more bang for your buck – so too businesses stay lean and functional when they’re not flushed with cash.

No Advertising – even the largest companies in the world receive over 50% of customers via Word of Mouth (WOM). Polyface rewards its “evangelists” (referring customers) with free products and the first question they ask of anyone new is always “where did you hear about us”. No advertising means less overhead and more time and resources to focus on quality farming.

Stay Within the Ecological Carrying Capacity – in Concentrated Animal Feeding Operations (CAFOs) a huge amount of waste is produced in one small space that must later be carted around the surrounding areas in order to dispose of it. “As we’ve expanded at Polyface, we’ve carefully defined the ecological carrying capacity and refuse to haul manure or waste anywhere. This forces us to decentralize, stay divested across the landscape, and remain aesthetically and aromatically attractive.”

People Answer the Phone – No one enjoys hearing “press 1, press 2, press 3″ and being spoken to by a machine which is why Polyface will always have a human being answer their phone.

Stay Seasonal – by raising chickens in the summer and working with wood in the winter, seasonal advantages are made use of and nature’s natural rhythm respected. By diversifying the
operations and interrupting certain processes at key times abnormalities such as high-levels of disease and decay are lessened or completely eliminated

**Quality Must Always Go Up** – never compromise quality as you move up in size – in fact the quality should improve as you closely study your product, processes and nature. One of the key benchmark factors used at Polyface is to ask oneself: “Is our earthworm population bigger, happier and healthier than the year before?” So many small businesses go big and become big, bad businesses – Polyface wants to avoid that path at all costs.
Polyface focuses their business on:

Profitability

- doesn’t matter how noble and passionate the reasons for farming may be – a farm is a business and a business needs to make sustainable income in order to exist and support its people

Growing the Farming Support Network

- People are the heart and soul of any operation. Polyface has consciously grown over the years by supporting themselves with a loyal team, happy and supportive customers and a network of people that respect and strive for the betterment of their farm and the propagation of their philosophies and practices

Being Clever

- It’s time to leave behind the notion of “the dumb farmer”. Farmers of today are well-read, outspoken and creative business men and women. They recognize that food, especially it’s source and quality, is the greatest political statement a food producer can make today!
- In order to stay one step ahead of the conventional food system and its regulating bodies Polyface needs continuously innovative and cutting-edge ideas and approaches

Financial & Business Model
Polyface has accurately identified the elements contributing to conventional farming failure or difficulty for new entrants in the field. Failure factors include:

- large initial capital investment (land, infrastructure, farming equipment)
- large yearly overhead costs (including chemical fertilizer)
- continuously losing profits to the middlemen (processing, marketing, distribution etc.)

Polyface addresses these issues with a revised model

Drastic decrease in initial start-up costs

It’s no longer necessary to buy land for farming – young people can lease, rent or use existing land for free (Urban example: SPIN farming). Invest in light-weight portable structures that are easy to move to a new location if necessary.

Use and leverage existing resources

Just as Principle #7 requires farming within the ecological capacity of the land, the “waste” and manure produced on site is a resource to be used and distributed within the farmland. Rotational grazing and multiple species make it possible to turn manure into fertilizer and leverage the most out of the “black gold” as possible.

www.permaprocess.com
Large woodland area at Polyface is used for generating own supply of lumber (which is incidentally the highest value-added commodity on market – sold at some 300% of production cost) further leveraging existing supplies and decreasing expenses.

Keep land resources on your land as long as possible: i.e. limit surface water run off

Become your own middleman

Since most of the money goes to them, become them and pay yourself. Direct marketing and a clearly defined market boundary makes WOM sales and customer evangelism possible and provides stable, organic business growth year after year. By diversifying operations on-site a farm that produces can also become a farm that processes (i.e., making apple juice from apples, pickles from cucumbers, sausage from pork etc.)

By investing in the value-added components of farming (like processing, distribution and marketing) your business becomes less risky and volatile since all of your revenue is not dependent on your farming production (which is subject to uncontrollable weather, pest and animal conditions)

- The largest overhead costs are: animal feed (grain, locally sourced from organic/GMO free producers)
- Fixed overhead: salaries and medical insurance
- People on the team (including all interns, apprentices etc.) approx. 20 people
- Revenue: 1,5 – 2,5 million USD (depending on year)

Marketing Approach and the 3 “E”s

It has evolved over time (started out with 100% of revenue coming from on-farm sales) – they have tried it all from Farmers Markets to CSA’s (Community Supported Agriculture), direct sales and supplying restaurants. Over time their viewpoints have evolved to reflect the following:

Today the revenue balance is:

**On-farm sales: 20%**
**Restaurants: 35%**
**“Metropolitan Buying Club”: 45%**

Farmer’s Markets, CSAs and Restaurants

**Farmer’s Markets:** are ridden with internal politics, customers don’t come to shop they come to chat, no bulk or guaranteed sales, inconvenient for seller

**CSA programs**- customers don’t like lack of choice for what goes in their weekly basket, they want to shop when they feel like it

**Restaurants** – have their pros & cons but chefs generally appreciate the high-quality product and a certain measure of bulk sales can be made

www.permaprocess.com
How the Metropolitan Buying Club works

- There are a number of hostesses spread around – there are about 30 drop sites within the Polyface 4-hour driving radius
- There are roughly 8 drop-off times a year at each point
- Via a subscription-based website customers can order and select their desired produce between opening & closing “bells”
- Hostesses compete with each other to gain customers: they receive a 10% discount on products + must muster a minimum $8,000 in sales in order for deliveries to be made

Learn more about the software behind it: http://www.zen-cart.com

3 main pillars of Direct Marketing at Polyface

1. **Examples** (i.e. Samples) – let people try your superior food product for free and they’ll start to slowly adapt those tough-to-change buying and eating habits
2. **Education** – through transparency and open-door policy learning why Polyface meat and affiliated produce is healthier for humans, animals and land is always possible
3. **Evangelism** – Word of Mouth selling should never be underestimated. Always ask where people heard of you and then reward the person that referred them.

**Legal Requirements**

The whole Western farming culture in general suffers from an industrial food system that has made every part disconnected from the rest. There are numerous government agencies, zoning laws and regulations that prohibit, in varying degrees, the legal establishment and growth of what was once considered a traditional family farm.

Polyface farms takes a peaceable, creative and proactive approach and believes that the bureaucrat’s laws should be adhered to... but in an intelligent and creative fashion. Staying one step ahead of them is the name of the game – and it keeps the mind fresh and active.

Example: At one time, Polyface needed additional housing for its interns but came head to head with a bylaw prohibiting housing establishments on what is officially considered farmland. The bylaw carried the following exceptions to what could be build:

1. Accessory building to agriculture business (i.e. a shed)
2. Movable shelters (i.e. trailer)
3. Tree houses
4. Anything that floats (i.e. houseboats)
5. A hunter’s camp

Considering the options and available materials they decided to build a hunter’s camp for the interns – since the bylaw doesn’t state what is to be hunted they placed a sign and declared that they are “hunting for the truth”!

www.permaprocess.com
Sources

- Personal notes from Joel Salatin’s “You can Farm” workshop in High River, Alberta attended on March 20th 2013

Websites:

- Iconoclastic Farmer Joel Salatin “We actually care if the cows are happy”: [http://www.chelseagreen.com/content/iconoclastic-farmer-joel-salatin-we-actually-care-if-the-cows-are-happy/](http://www.chelseagreen.com/content/iconoclastic-farmer-joel-salatin-we-actually-care-if-the-cows-are-happy/)
- Polyface farms main website: [www.polyfacefarms.com](http://www.polyfacefarms.com)

Articles:

- “Everything I want to do is illegal”: [http://www.acresusa.com/toolbox/reprints/Salatin_Sept03.pdf](http://www.acresusa.com/toolbox/reprints/Salatin_Sept03.pdf)

Youtube video:

- In-depth look Agricultural Business – Bloomberg: [http://www.youtube.com/watch?v=4MdFSbFlksI](http://www.youtube.com/watch?v=4MdFSbFlksI)