



## South Dakota

Rural Business Cooperative Service • VAPG

### Making Own Products is a Dream Come True for Small Rural South Dakota Business

In the spring of 2017, Chad Blase quit his full-time job to go back to work with his parents on their dairy farm. Within months, milk prices were sinking and Chad and his partner Laura Klock, along with Chad's parents, Amy and Gary Blase, realized it was time to have some difficult conversations about whether the farm could continue to be financially workable for their families during this downturn.



Cheese products offered through Farm Life Creamery. Photo courtesy of Farm Life Creamery.

"All I could really do was listen. I heard them say, are we going to quit farming, or are we going to add value to our product?" said Klock, "And so I thought, let's just check it out and see what we can do." Right away, Laura, who refers to herself as a "serial entrepreneur", started working through possibilities for a more sustainable version of the family's farm. She had repeatedly heard Chad's mom, Amy, talk about how it was her dream to have a creamery someday.

Making your own product is a dream that many have, and Amy's dream started to become a reality for the family with some research into the feasibility of a creamery. During the research process, they discovered Valley Side Farm Cheese, which was for sale, and the next thing they knew, they had purchased the company and its inventory, and were learning from the previous owners how to make cheese.

The family started retrofitting an old dairy barn on their property, making a cheese aging room from the old milking parlor, and setting up a make room. The bulk of their business plan was to make cheese and introduce bottled milk, and to use Chad's parents' Grade A milk from their 100 Holstein cows. The dream of [Farm Life Creamery](#) became a reality.

Their first success came with the cheese curds. "We call ourselves the Baskin Robbins of flavored cheese curds," said Klock. "Our cheese is delicious, made from full-fat Grade A milk and super creamy, but we challenged ourselves to come up with some interesting and good flavors. 45 different flavors in all (so far)."

Some of those interesting flavors include Bloody Mary cheddar, coffee cheddar, bourbon barbecue and smoked bacon.

2019 was a building year for Farm Life Creamery and their next goal, to expand their cheese product line, and bottle their own milk, was the plan when they applied for the USDA Value Added Producer Grant (VAPG). By March of 2020, right before the pandemic hit and everything shut down, they had their best week ever.

“We sometimes felt like we picked the worst possible time to start a new business. It just felt like a crash. People began just buying essentials, and our products weren’t a staple. It was a little scary,” said Klock. “We just pivoted to the mindset of ‘anything we can do’, from personal delivery, to setting up shipping. It has been a roller coaster.”

Fortunately for them, the \$49,750 VAPG came during the height of the COVID 19 pandemic in the fall of 2020 and they were grateful for the boost. The family continued with the milk bottling system build out and in recent months, the Creamery has started to bottle their own milk.

Besides the small batch artisan cheese, the regular and chocolate milk bottled on the farm, the farm offers tours to learn more about cheesemaking and milk bottling, they make fresh rolled ice cream, and they have a variety of friendly farm animals that combined, has been a big draw for the area.

And after talking to Laura about all that’s going on at the farm, you find yourself wondering how she and the family are able to do it all, but it seems they have mastered the art of multitasking and realizing their dreams all at the same time.

At the end of the day, access to the VAPG program was a true lifeline for the business and allowed them to market their products, get their cheese and milk to more area stores and provide delivery and shipping through online orders.

Additional items of interest on this project include:

- An eighteen-hole mini-golf course is 75% complete. An open house is planned for July when it's up and running, along with the tractor tire playground. The Farm Experience area is open, and many families have enjoyed visiting to learn about and interact with their farm animals.
- Klock shared that their experience with VAPG has been positive. Grants can be tough to write and maintain, but it has also offered some necessary accountability as they turn in their matching receipts and do the reporting. It's truly been a life saver for them as they get their small business going.
- They’ve done a lot of tours! End of school year, families, businesses. They did a chamber first Fridays open house. So, they’ve been busy! They are bottling milk now and working hard to get more of their product into stores. Currently they sell the bottled milk in the farm store on site.

“I thought it would be easy, but it really wasn’t,” said Klock. “I didn’t realize we were blazing a trail. We are the only small bottling plant in the state of South Dakota.”

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**Obligation Amounts:** \$49,750

**Date of Obligations:** 08/14/2020

**Congressional District:** Representative Dusty Johnson; Senators John Thune and Mike Rounds

**Partners:** Farm Life Creamery and USDA Rural Development

**Demographics:** Ethan is a city located in Davison County South Dakota with a 2020 population of 320.

**Impact:** Through the VAPG, the applicant can market their products, get their cheese and milk to more area stores and provide delivery and shipping through online orders.

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