

Fouch Farms— Making a Farm Cash Flow

BY HEATHER SMITH THOMAS

Jesse Fouch's family has been in the same place for 7 generations. "My family settled here in 1848 and has been farming and ranching since then (near Mariposa, right next to Yosemite National Park). My mother's generation got out of ranching; they were logging. When I was growing up, my parents just had a few cattle for our own consumption; they leased out the family ranch. When I was young I didn't plan to raise cattle. I wanted to log, like my parents. When I graduated from college, however, I moved back to the family ranch and I loved it," he says.

"My wife Hannah and I just wanted to eat healthy so we got a small herd of cattle and were raising our own animals, and gardening. For a while I had a dream that maybe I would inherit the family ranch, so I got a few more cattle. Then I realized that there was another generation between me and my grandmother (the majority owner of the ranch). She has 4 children and I am one of about 20 grandchildren! I started feeling the friction, when other family members were seeing me working on the place, so I decided the only way I could actually be a rancher and have a ranch would be to buy my own," Jesse says.

In California the price of land is high; a young person wanting to ranch is faced with tremendous challenges. "I decided to try to earn money toward buying a ranch (rather than go into debt), and got a job that paid well. I became a State Trooper, and my wife Hannah is a registered nurse. We kept growing our farm/ranch as we could afford it, so it's been a slow process—but we don't have much risk in it. That's been very beneficial," he says.

They started ranching on some leased property in 2003, and bought their first place in 2008. "In 2010 we sold that first farm and bought another farm, and in 2013 bought a larger ranch, and that's where we live now in the foothills between Fresno and Merced, in the San Joaquin Valley, along the foothills of the Sierra Nevada mountains. Our land is on rolling foothills, mostly oak trees and grasslands. We also lease a mountain pasture that is timberland and meadows," says Jesse.

Growing the Business

Selling the first ranch made enough money to almost pay off the other two. "We only have about \$150,000 left to pay on this place, and that's the only debt we have," he explains. "We own all our cattle and equipment. Our goal is to have this place paid off by next winter so we can get rid of our off-farm jobs and just spend all our time and energy farming."

They have been growing their operation slowly, working part-time on the farm, and now the farm brings in about \$70,000 annually. "By transitioning to full-time farming we hope to bump up the farm income. We want to expand it enough that we can just live off the farm and have a family farm that includes our children," Jesse says.

"We saw the problems with successive generations on the same piece of land, so what we are trying to do is eventually have 4 separate ranches so that each of our children can inherit their own place. They will be able to work on their own land, from a young age. That was one of the things that was so frustrating for us, not being able to work on a place of our own. When I was in my 20's I was ready to work. I wanted to really get after it, but I didn't have any place to do it, except on leased ground," he explains.

His experiences with leasing were not the best. "We got burned big time on a lease and I don't want my kids to have to go through that. I do



Jesse and Hannah Fouch with Gus, Jensen, Poppy, and Henry

not like leasing, but I do still have some leases. We are very careful about what we select to lease, however. It has to work for us," he says.

No Water Hauling During Drought

Luckily, Jesse learned about Holistic Management, which helped him manage his grazing better during challenging times. "I read Allan Savory's book years ago, and I continue to read about Holistic Management in *The Stockman Grass Farmer*, *ACRES*, and other magazines," says Jesse. "I had a pretty good idea about it early on, and enjoyed reading about it. I was doing some of the things already, but wanted to learn more. Hannah and I went to our first Holistic Management class in 2011 at the Paicines Ranch, and Ian Mitchell Innes taught that class. It was an awesome class and we loved it."

"We'd already been doing Management Intensive Grazing (MIG) rotational grazing, but we hadn't yet tried high density grazing before that class. We also didn't plan, like we were taught in Holistic Management. I think that was the biggest gain from taking the class—sitting down and mapping out our whole year for a grazing plan, along with having our goals figured out. That way, whenever you do something, you first look at it in terms of what your goals are, and see if this actually fits into your big picture." It's important to see whether each decision moves you forward or not, or works with your goals or hinders them.

"This was probably the most beneficial thing, just sitting down and planning and really thinking about how the year will go, and thinking about what we are going to do if such-and-such happens, etc. Fortunately we'd started looking hard at our goals and planning, because 2011 was our last good rain year, Jesse says.

"The following 4 years were the worst drought in the history of California. Luckily we started planning before we got into that, and we were able to make it through fairly unscathed. Our livestock numbers are down, but we've been able to keep going."

Holistic Management has helped immensely. "Through doing our

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grazing plan and rotations, we've been able to leave a lot of litter on the ground. Last year and this year (the third and fourth year of drought), all of the ranches around us had no water. All of our neighbors' springs have gone dry, and they've been hauling water. I haven't had to haul water, and I really think it is because we are leaving all this litter," he says.

Even a little bit of rain soaks in. When the rain hits the ground it doesn't run off. "Our springs have continued to be productive, all through the drought. Not having to haul water every day is a real blessing. Our place is remote, and most of the ranches around here don't have well water; we are all depending on springs and ponds."

Working with Dexter Crosses

When he and Hannah first started ranching, Jesse bought some Brangus from a friend. "I couldn't handle them. They were jumping fences left and right and I was having a big problem with them. A bunch of them got out one day and were out on the road. Someone came along and put them back in a field, but it was actually my neighbor's field so they were in with his cattle. The neighbor asked me what I wanted to do with them, so I asked him if he was going to a sale soon. He was taking something to the sale the next week so I told him just to take mine, too, and sell them for me, and take whatever he needed out of the proceeds, to cover his expenses," Jesse says.

"After that, I was looking around for some other cattle and my mother-in-law told me about a guy who had a small herd of Dexter cattle. I didn't even know what Dexters were, so I went to look at them. I thought they were neat cattle. The guy had a bull, 2 bred cows about ready to calve, and 2 heifer calves. He said I could have them all for \$1000, so I got them. Later, those pregnant cows both had heifer calves, so that's how we got started. From that original group we've kept all the heifers, to grow the herd. We now have a little bit of Angus in the mix, and 2 years ago we got a British White bull to cross with the cows," he says.

The herd today is a mix that includes a little bit of Angus, a little bit of Hereford, a little bit of British White but the majority is Dexter. "The only reason I brought in the other breeds is because my Dexters were starting to look like a milk line and fine-boned, and were not as beefy as we wanted. After adding the other breeds to the mix they are better, and there are a couple that I consider my perfect cows; they are short and fat and barrel-chested and beefy, and they stay fat all year long," Jesse says.

"The Dexters are great because we don't have to deworm them. We just keep rotating the cattle through the pastures. The only thing I give them is kelp and salt, and they always look good. The drought has been a blessing in disguise because we had to downsize and cull about 15 cows." He was able to get rid of the ones that were not as efficient or hardy.

"Last winter it didn't rain until the end of January. We had 3 months

(November through January) that were dry instead of having our usual rain, so we didn't have any grass. We really took a hard look at the cows, and sold the ones that looked bad. Over the last couple years of doing that, we got rid of the poor genetics and now we have a good group of cows," he explains.

The farm also has 3 dairy cows. "We've been milking a cow for ourselves for a long time. Then we had some friends who wanted to try some milk, and then they were wanting some every day. We got into the milk share thing, but the regulations bothered us and we didn't want the risk. So we decided to just sell milk cows to people who want fresh milk," says Jesse.

"We started crossing our Jerseys with our Dexters and selling their offspring as mini-milkers—small dairy cows for a family cow. We only have a couple heifer calves each year but we break them to a halter and get them very user-friendly. They are small and easy to handle but produce enough milk for a family. We can sell these for a very good price, so this has worked out very well for us," he says.

Species Diversity = Enterprise Diversity

Jesse and Hannah also have sheep, goats and pigs. "We have mouflon sheep, from Corsica. These unique sheep are just right for our purposes. Many of the Texas game ranches use them because they grow big horns. We fell into these breed by sheer luck. A lady inherited some from a wealthy relative who brought them over from Corsica. I had some



The Fouchs raise a 7/8 boer and 1/8 fainting goat combination that results in a good parasite-resistant meat goat.

Jacob sheep already and was looking for a ram when I saw this ad and thought these sheep looked really neat—and decided to try one of those rams. I did some research and found that they call the cross (Jacobs and the mouflon) painted desert sheep. This cross is basically bred to sell to game ranches. But when I got my new flock I really liked them because I want simple and efficient animals that need very little management. That's the goal." These sheep are hardy and able to fend for themselves.

"If I were to turn these loose they could probably live off the land without me. That's

what we look for (maintenance-free animals), and these mouflon are just great. We never had to worm them or do anything with them except keep them on good pasture and rotate them. I actually got rid of the Jacobs; the lady who was raising mouflon decided to sell me the rest of her herd," says Jesse.

"So we now have a group of mouflon sheep and some Boer goats. We started with fainters and I really liked them because they were just as hardy as the mouflon sheep; I never had to worm them, and they were also very easy on fences because of their stiff legs. We didn't need elaborate goat fencing to keep them in," he explains.

"As we started selling goat meat, however, we found that everyone wanted Boer meat, and it also sells for quite a bit more. So we started getting Boer goats but had problems with them. They are more susceptible to parasites, for instance, and we were losing some of them. It took about 6 years of crossing the Boers with our fainters to get a mix that

is actually parasite-resistant and will thrive in our environment. Now we have a herd of goats that are about 7/8 Boer and 1/8 fainter, selecting for the ones that will work in our environment without a lot of help. They look like Boers but they are hardier and we don't have to do anything special with them," he says.

Jesse and Hannah also have a few pigs. They like to use a heritage breed, and Jesse's favorites are Old Spot and Mule Foot pigs. "They do well in our environment and are good foragers. The pigs are always kept here at home but the goats are rotated out on a separate place during the summer on a brushing contract with NRCS. I leave the goats out there all summer and bring them back home for the winter," he says.

He does something unique to keep track of the goats because fencing is difficult. "The mountain ranch where I have the brush contract is 320 acres, but the perimeter is only 4-strand barbed wire. So I have the goats trained to come to a bell. I train them by putting them in a pen, ringing the bell every time I go out to feed them. They associate the bell with food. So with this bell I can take them anywhere and they will follow me. When we move them to the mountain ranch we build a night pen, fencing a pond with a couple acres around it. We put them in there as soon as we arrive, and feed them in that pen with this night bell," he explains.

There are two guard dogs with the goats. "The dogs are a mix of Akbash, Anatolian and Great Pyrenees. They live with the goats full time. We lock them in the night pen for about 2 weeks and ring the bell each time we feed them in there. After that we let them out. The goats will graze a 160-acre perimeter around that night pen and come back each night. We feed the guard dogs in there. About once a week we feed the goats a little hay in there, just to keep them coming in when we ring the bell," says Jesse.

"It's fun to watch them because they naturally want to graze two periods during the day, and make big loops. I walk with them as they make the loops, and they hit different species of plants all the way through. I'd been doing that, and then when we bought our new place 2 years ago, the fences were even worse for keeping the goats home. On the place where we pasture the goats, the neighbors don't care if my goats get on their place because they don't mind if they eat the brush and weeds. But here at my new place one of the neighbors doesn't want the goats coming onto his place. So I've had to move away from letting them do their own thing, and actually have to shepherd them when they are out grazing," Jesse says.

"I read the book, *The Art and Science of Shepherding* when it came out 2 years ago, and this put it all together. The author does the same thing, making 2 circuits with the animals daily, grazing different spots. A person can manage the grazing much better this way because when you want the animals to concentrate on certain areas you can take them where you need them. I've been doing that, with my bell and my border collie."

He takes the goats to areas that are brushy and need more grazing/browsing and just sits there and waits so they can hit that area really hard. "Then we just keep moving around the circuit, stopping in the areas that need the most grazing. That's where we take a break. Otherwise I just keep walking with them. Between the guard dog and the border collie, the goats stay with me." This works very well for selective pasture management, weed control and brush control.

"It also helps with kidding. Before, they were making it hard on the guard dogs. The does would stay with their kids for about the first two days, and then leave the kids and go out on their circuit with the herd. One of the guard dogs was staying with the babies and the other one was going with the herd. We had a couple predator issues when that was happening, but now we don't have those problems. When the does kid, I just leave them in the pen until the young ones are ready to travel with the group."

This works very well, except for the time it takes to go out and do it. "But 30 to 40 minutes is not a big deal, and it gives me a chance to really

look at the ranch and see what's going on," he says.

"We also have a few chickens for our own use. We used to do meat birds to sell but I don't really like doing that and have shied away from it the last couple years. We only do a batch of 20 now, for ourselves. We also have layers, for our own consumption. The meat birds were good in that everybody wants them and all our customers loved them, and they made a profit, but you had to work a lot more for that profit than with the other livestock. Per bird, it was pretty good, but when you can sell a beef and make \$1000 and it takes 200 chickens to make that, it wasn't worth it. I was doing all the slaughtering myself and that's a lot of work to slaughter that many birds," says Jesse.

"Maybe later one of the kids will choose to do chickens, but for now we're not raising any to sell. On our place it's an open enterprise and if someone wants to raise chickens someday, they can do it," he explains.



The Fouch Farm heifers are a combination of Dexter, Angus, Hereford, and British White. The Dexter helps keep the heifers parasite resistant.

Direct Marketing Learning

Most of the Fouch Farm sales are direct market. "We started out very slowly and cautiously, like how we grew the farm," says Jesse. "I can't even remember how we got our first customers. I think one of our neighbors asked if we had some extra beef. It took off from there. We built a website, and also put an ad on the Eat Wild website. When Michael Pollan's book *The Omnivore's Dilemma* came out and a lot of housewives with book clubs heard about it, all of a sudden everyone was looking for naturally raised products. We started getting customers, and from there it's just been word of mouth, people passing information along to friends."

"What we do is like a CSA. We send out a newsletter the first of every year and we have an e-mail list. If someone during the year says they are interested in our products we just add them to our e-mail list and tell them that the newsletter will come out in January and they can order what they want at that time. Then they get their products throughout the year as they become available," he explains.

After they get the newsletter, customers pre-order whatever they select, and pay a deposit. "When those animals are ready, later in the year, the customers pick up their product at the butcher shop. It works out very well for us because we don't have to try to market different cuts. We only sell quarters, halves and wholes. This is a lot easier."

"We used to do deliveries and that was a logistics nightmare. We no longer do that, and we sell out of everything every year. People really want our products so when we told them they had to start picking them up at the butcher shop instead of having it delivered, they were willing to do that. We are time-limited because we both have our other jobs, at this point,

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Making a Farm Cash Flow

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and are trying to take care of the ranch and the animals. We also home-school our kids, so everything has to be very efficient and work well.”

The Fouch Farm products are Animal Welfare Approved (AWA) and the beef cattle are Certified Grass Fed through AWA. “We stumbled upon AWA at one of Jim Gerrish’s grazing conferences in 2008 and have been certified with them since 2009. They are very helpful and this certification helps our products stand out,” says Jesse.

Making Hay

Jesse also grows hay. “That was one of our weak links, in the Holistic Management plan—having to buy high-priced hay, and being stuck at the mercy of the hay market. Some years, in California, we could buy good hay for \$90 per ton and other years it might be more than \$200 a ton, and hard to find. I did all the math, and even though everyone says we should get out of the hay business, and that a person doesn’t need to grow hay or buy hay, it works out best for us to make hay,” says Jesse.

“There are 2 pieces of property that border one of my ranches and I’ve been trying to lease them. These are really good bottom ground. The owner doesn’t want any cattle on his property, so I asked if I could hay it. He thought that would be fine, so I bought some haying equipment, starting out with the cheapest equipment I could find. My first hay year was frustrating because the old baler broke down every lap around the field. But I put up a lot of hay, and figured that if I was having to spend \$16,000 to \$20,000 on hay each year, I could buy a decent baler and mower for that, and make back my money the first year,” he says.

“That’s what I started doing. It has turned out great. I can usually make the hay for about \$1.25 per bale. So we’ve been putting up all our own hay for the past 4 years. Last year we didn’t buy any hay, and we were in the middle of the worst drought ever.” Having their own hay really helped.

“We don’t use any chemicals so I start off with cereal rye when I plant the hay—because it will crowd out the weeds. We have medusa head here, and it’s a very bad invasive weed. There was a lot of medusa head on that ranch because it was never grazed, so I had to get rid of that first. The cereal rye grows quickly and gets so thick and tall that it shades and crowds out everything else. The roots also give out a chemical that has an allelopathic effect—a negative effect on other plants—so other plants



The Fouchs raise both Old Spot and Mule Foot hogs that are sold directly from the butcher shop to their customers.

don’t want to grow in that soil. I’ve been able to get rid of the medusa head by growing cereal rye in those fields for 2 years,” Jesse explains.

“A few annuals still come up in the hay because I don’t spray any of it. We also get several types of clover that come up nicely in the rye. I cut it early because the cereal rye matures earlier in the year than the medusa head. If I cut the hay in May and disk in the stubble, none of the medusa has made seeds yet, and I don’t get any of it the next year. After 2 years of the rye I utilize a green manure, which consists of crops like beans and vetch. Then I put in a crop of wheat after that one. I keep that rotation going—the rye, then the manure crop, then wheat. I always seed a legume into each of the hay crops, to add more protein to the hay.”

Typically the rains start in October, and there will be grass for the cattle by November. That lush fall grass that the cattle are grazing from November through January is very washy, however, so Jesse likes to supplement that with some of the coarser rye grass hay. “I really like the farming; I like to grow things. It doesn’t take me that long. It takes about a week to plant the hay crop in late fall (to grow during the winter and spring), and it only takes about 2 or 3 weeks to harvest it all,” says Jesse.

“If we hadn’t been in a drought I would have had extra hay to sell, but the last 3 years I have kept all my hay. This year I had a little bit of extra so I am selling some to my brother. The goal is to sell some, but just not having to buy hay is financially beneficial for us,” he says.

Growing a Family Farm

Jesse and Hannah have 4 children. Jensen is nearly 8 years old, Gus is 5, Poppy is 3 and Henry is 6 months old. “They enjoy the animals and the older children did a goat project this year. They bought 20 bottle babies from a goat dairy and raised the kids themselves. We gave them cows’ milk from our dairy cows, and our kids would go out and bottle feed their babies. With their profits they bought some lambs, so now they have a share in our lambs as well,” says Jesse.

“This year we also started giving them each their own heifer every year. Thus they have a stake in the ranch and enjoy going out to help and do chores. They have an interest in taking care of the animals.”

Jesse and Hannah feel fortunate to be able to farm and raise their family on the farm. Despite high land prices and drought, this family has been able to make their farm cash flow and will be paying off all debt by the end of the year. In a time when many farmers and ranchers are struggling to stay afloat, Fouch Farm is a great example of what effective management, clarity of goals, passion, and persistence can accomplish. 🌱



The Fouchs have created a practically maintenance-free sheep by crossing mouflon sheep to the Jacob which is known as a painted desert sheep.

