



Rebekah Pakala is one of 10 employees in the Waterloo, Iowa, retail store. Milk and other products go right from the Hansen farm to the retail store.

The Plan

To make their return workable, the brothers had to come up with a plan to provide for their families, as well as hired help, with just 150 cows. “The only answer we got from experts was we had to have 500 cows,” Brent reports. “If you don’t have 500 cows, don’t waste your time,” was the story we heard again and again.”

That answer wasn’t good enough for the Hansen brothers. Their hearts were set on farming the home place together, so they began brainstorming other approaches. The brothers studied the viability of on-farm processing of their milk and going straight to the consumer with a Grade A product mix. A lot of it was figuring out which direction to go and what products to produce, then going through the “school of hard knocks” while the farm provided good cash flow.

The ace in the hole was a good consumer market less than a half-hour away—the

combined cities of Waterloo and Cedar Falls with a population just over 100,000. The Hansens figured they only needed about 10 percent of this market’s milk to make their plan work.

Transition Period

After getting organized, the brothers began a 2-year transition period. They kept their jobs and started to put changes in place, including building the processing facility, developing products and package designs, plus contacting the markets. The brothers did most of this work themselves.

Today, in addition to selling to other retail outlets, Hansen’s Farm Fresh Dairy has three retail stores of its own—one in Waterloo, one in Cedar Falls and one at the farm. Taking a page from leading marketers, the Hansens created a special logo, a friendly wallaby drinking milk with a Holstein calf in her pouch. It’s on every product plus delivery trucks.