

## Honoring the Nation's Small Business Heroes

Hello everyone. My name is Colleen Cruze Bhatti, and I am from Knoxville, Tennessee. I'd like to talk to you today about my dairy farm and ice cream business. We've been selling milk and ice cream now for just under 10 years. And though I am not an expert on small businesses, I hope that by relating my personal experience with small business, I can share what I believe are the challenges and opportunities facing small businesses more broadly in America today.

First I'll give a little bit of background: My husband and I milk around 83 jersey cows twice a day, just east of Knoxville, and we process that milk into pasteurized non-homogenized milk and ice cream mix, which we sell in and around the Knoxville area. We also have a couple of ice cream shops of our own as well as a pizza place. We love farming, we have a passion for turning our milk into delicious food, and we love making people happy.

Manjit and I got our start in 2010 when we had just fallen in love, I had just graduated college, and my parents were starting to look for someone else to manage and grow the fledgling dairy farm they had started 30 years earlier. Our dream, initially, was simply to run a successful dairy farm. Many of you perhaps are not aware that the American commodity dairy farming industry is at a crossroads. Family dairy farms are closing at a faster rate than they have in any previous decade since the 1920's. Milk is simply not worth as much as it costs to produce. In the dairy industry, the conventional wisdom for the last several years has been, "Go Big, Go niche, or get out". Many, of course, are choosing the last option. Most of the remaining dairy herds have expanded to milk 50 to 100 times as many cows as their grandparents milked. My mom and dad have always "gone niche". Unlike the vast majority of dairy farms, we do not sell our milk to a third-party shipper who then sells it to a processing plant. We process the milk ourselves and sell it around town, and we choose the quality and we choose the price. Selling milk and ice cream directly to consumers has helped us keep the farm afloat. It lets us get the income that it takes to care for cattle and soil the right way. I wish every farmer in America could earn a decent living farming, because it is the oldest and most noble profession for men and women, and yet it is also often one of the most thankless.

Since 2010 we have worked hard to grow our dairy farm and little processing plant into a robust direct-to-consumer business that employs around 70 men and women and serves pasteurized milk, ice cream and artisan pizza to Knoxville's downtown and east side communities and along the way, we have learned that there are downsides and upsides to running a small business. Some of the downsides are that you'll never be able to offer a cheaper product than your corporate competitors, you won't have their startup capital, their industry connections, their supply chain stability, and you won't be able to offer your employees the same benefits and pensions that keep many of our fellow citizens hanging on to their jobs in the corporate world. But let's take a second to consider the upsides: First and foremost, small businesses can and should offer high quality products. My dad is a 76-year old 4th generation dairy farmer; he's full of wise one-liners. One thing he always told me growing up is, "you can't compromise on your quality". It's a saying that is so often repeated that it borders on banal, but for small businesses in particular, quality has to be THE mantra.

When you farm on a small scale, you have the opportunity to be good to your soil and to give a high quality of life to your animals. You can keep them on pasture, you can grow crops

sustainably, and in turn, you get rich, nutritious, delicious milk. I'm not an economist. I don't know why small farms produce better milk. But I drink milk everywhere I go, and small dairy farms who process their own milk, always have the best tasting milk. I often find that the same is true for small businesses in other sectors of the economy as well. The best experiences, products, and services I've had have always come from small businesses. For whatever reason, small businesses just are able to offer better quality.

I mentioned earlier that Manjit and my initial goal in starting a small business was simply to keep my parents' dairy alive. However, we've adapted our goals as we've added employees to our business. In two years we've added around 70 employees. We never knew we would have this many employees. We didn't take classes to know how to have employees. We are farmers. Farmers usually only have one employee, if that.

We often pay lip service to the fact that small businesses employ the vast majority of Americans, 99.7% in fact. However, many of us also think that a job in corporate America or with the federal government is the only path to job security and a stable retirement. Rural America thinks very highly of that coveted UPS job, for example, or employment with the local utilities district. As small business owners, most of us can't offer health insurance, and certainly we can't afford pensions. But what we as small business owners need to realize is that we employ America, and we employ America's future, and we should view this as our unique opportunity to help build the America that we dream of. Employment is much more than merely providing a service in exchange for an hourly wage. Employment defines us as Americans. We are known around the world as "workaholics". We don't take vacations. Many of us work two jobs. And as a result, I believe that small business owners in America have a unique opportunity to help define what employment can be in this upcoming century. I believe that a job has to be something that one takes pride in, it can be fulfilling, it must be nourishing and not draining, it has to facilitate physical and mental health. It must provide a forum for community and friendship. Of course a decent wage is at the basis of a good job but certainly a fulfilling sustainable job must have these other qualities as well. Because at the end of the day, we Americans spend almost all of our time at work.

Fostering a great work environment starts first with realizing that your employees are the centerpiece of your business. Once you acknowledge that, developing a happy and healthy environment becomes much easier. Here are a few things we do in our business that I feel have had a positive impact on our employee's lives:

I pay my employees far above average, I make sure to showcase them individually in our social media postings, I provide free access to weekly exercise classes that we attend together, we have company wide breakfasts and meetings often, and we don't necessarily discuss work at them, we give prizes to employees who complete a 30-day #eatyourveggies challenge. We go on research trips to other farms and ice cream shops in other cities as a way to stay excited about work. We provide high quality nutritious farm products at a discounted rate to all of our employees. As you can see, it's quite a grab bag of programs and incentives; i can't say we'll be doing the same ones next year. The salient point, however, is that I, as a small business owner, choose to make my employees' lives my central priority.

When you run a small business, it can be difficult sometimes to see the forest for the trees.

Paperwork consumes you. Employees get sick or injured. Sometimes lawsuits or audits unexpectedly arrive in the mail. There never seems to be enough time to do the bare minimum, let alone direct your attention to things like quality and “employee well-being”. But the quality of what you serve and the environment that you provide for your employees are paramount if you want your business to survive.