

**Casey Murphy**  
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Chairman Monson and members of the committee, I sincerely thank you for your time and dedication to the state of North Dakota. I am writing to voice my approval for HB1009 specifically for the funding allocated to the Agricultural Products Utilization Commission.

Together with my wife and mother-in-law, I own and operate Cows and Co Creamery on our farmstead near Carrington North Dakota. Cows and Co's story began with a big idea from my wife and a spark from APUC.

My wife's story began in the Netherlands, where she was born on her parent's 50 cow dairy farm. Her family sold their farm in the Netherlands around the year 2000 and grew their herd to 150-200 milking cows near Edmonton Alberta. In 2008, they again moved their family. This time they moved near Carrington and began milking around 350 cows. Over the next few years they expanded to milking ~1500 cows 3x a day. While my wife was in Nursing School at the University of North Dakota, she hatched a plan to add her own twist to her family's dairy farming legacy in the form of artisan gelato. ~8 years ago we created an initial business plan that included converting one stall of my in-laws garage into a licensed and inspected dairy processing facility, purchasing an italian gelato cart capable of serving 400+ scoops, and purchasing a 30 gallon vat pasteurizer as well as gelato making equipment. We intended to create a value added agricultural product to test the "farm to table" market while diversifying the family dairy farm. Our plan was to avoid the costs associated with a brick and mortar shop and to rather go find the customers at farmers markets, festivals and fairs. During our business planning, we became acquainted with APUC. We then submitted an initial grant application of around \$50,000.00 to help defray costs associated with startup. I can genuinely say I do not know that we would have taken our first step, had we not received that grant from APUC.

In the following 2-3 years, we doubled sales year after year and rapidly outgrew my in-laws garage. We purchased our own farmstead 3 miles from the dairy farm and began plans of converting an existing machinery shed into a farmstead creamery. We planned to expand into artisan gouda cheese and create a Cafe and commercial kitchen in the renovated machinery shed. We again sought funding through APUC and received a grant of roughly \$150,000 to help with the costs associated with this expansion. As a

result of this expansion, our business has grown rapidly to try to keep pace with demand.

Our current products, services, locations and operations are below as well as economic benefit.

#### Products

- Premium Gelato, Gouda Cheese of various ages, Cheddar Cheese Curds, Battered Cheese Curds, Glass bottle whole and chocolate milk, yogurt, and frozen macaroni and cheese.

#### Services:

- Cafe/bistro,
- ~Monthly pre-order delivery to 10 cities in North Dakota
- Cheese and gelato shipping nationwide
- Limited wholesale availability.
- Gelato cart events throughout the state

#### Locations:

- Cows and Co. Creamery Café is open select dates, usually 2-3 Saturdays per month. Reservation dinners. Private events.
- Milkhouse on-farm store. This is an honor-system store on the same grounds as the creamery but located in the former milkhouse of our retired dairy barn.
- Drekker Brewhalla Market. This location includes a gelato scoop shop offering 12 flavors as well as grab and go cheese, gelato, milk and yogurt.

#### Operations and Economic Benefit:

- Cows and Co is 1 of 3 licensed and inspected dairy processing plants and 1 of 2 licensed milk bottlers in ND
- 4 full time employees excluding owners. ~25 part time/casual staff
- Doubled sales annually from 2018-2023.
- Sales tax collected 2024 ~\$25,000
- ~1.75 million spent on local contractors and building materials over the last 7 years.
- Cows and Co is not only creating new wealth, jobs and value added agriculture, but is creating an experience and increasing agritourism.
- Cows and Co Festival, Christmas at the Creamery, Dairy open houses, dairy tours on open Cafe days.
- Tourism, customers from all over the nation, midwest, Canada.
- ~500 customers come to the Cafe on open days.
- Local businesses plan to be open when we are open in the Cafe
- Honor System Store sees 10-20 customers per day, many from out of state in the summer.

- Add value to milk from VanBedaf Dairy that would otherwise be processed in Perham Minnesota.
- Cows and Co uses ~1% of the milk from VanBedaf Dairy, but adds value at the equivalent of over 10% of VanBedaf Dairy revenue.
- Shipping boxes and tourism brings out of state dollars into the state
- Hosted trade delegations from Mexico, Japan, Nigeria
- VanBedaf Dairy is a huge economic driver in the community and state.
- Cows and Co is currently in an expansion building project to meet increasing demand.

I am thankful for the commitment from our great state and from the Department of Agriculture to provide opportunities for value added agriculture.

I am happy to answer any questions and sincerely thank you for your time and consideration. APUC has helped Cows and Co by being a catalyst for growth. I hope other producers and innovators will have the opportunity to access this fund into the future, whether they are a large commodity processor or a small gelato maker in a garage.