**IPPE ON-FLOOR ISSUE** 



## **COVER STORY** | CRYSTAL LAKE FARMS Blake Evans, vice president of industry affairs and genetic founder, and Gerald Lessard, president, of Crystal Lake Farms COVER AND LEAD PHOTO BY JASON HUDSON PHOTOGRAPHY; OTHER PHOTOS BY ANDY HANACEK 56 THE NATIONAL PROVISIONER | PROVISIONERONLINE.COM | JANUARY 2018

## Crystal Kar

Crystal Lake Farms may produce slow-growth chickens, but it has experienced fast-growing success; its acquisition by West Liberty Foods provides the stimulus to advance its "Better Bird" mission further and even faster.

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t's the "Era of Choice" for consumers today, and meat and poultry processors have taken notice.

Mass production of mainstream food products remains important and might grow business, but real opportunity — particularly in the meat and poultry industry — sits in the sweet spot of being

able to meet the needs of niche consumers while offering more standardized products.

In less than a decade, countless meat and poultry companies have jumped at the chance to upscale and diversify their offerings — in most cases, bolting on companies to simply capitalize on their expertise: Hormel Foods acquires Applegate; Perdue Farms acquires Niman Ranch; Pilgrim's Pride acquires GNP Co.; and so on.

Nearly a year ago, West Liberty, Iowa-based West Liberty Foods jumped into the fray, acquiring Decatur, Ark.-based chicken processor Crystal Lake Farms. The all-natural, slow-growth chicken producer, which was founded earlier this decade (in 2013), already had put together an impressive run of success as retailers and foodservice operators committed to offering slow-growth chicken products — and West Liberty Foods saw an opportunity to add to its portfolio a premium

offering, as well as its first retail brand.

Gerald Lessard, who became president of Crystal Lake Farms after the deal, says both companies always had a story to tell, and this acquisition brings the best of both together.

"[West Liberty Foods' story] was generally around food safety, innovation and new technology," he explains. "Our story's roots are in the legacy that the Peterson family brought to the business, and the development of the ['Free



The Free Ranger bird: a robust, active, nakednecked breed with large, strong legs, developed to serve Crystal Lake Farms' customers with a high-quality eating experience.





Certification by the Global Animal Partnership (GAP) requires a higher standard than mainstream production, including a lower population density in chicken houses and enrichments to the living space, including such things as perches, as shown in the left photo.

Ranger'] bird, which is entirely different than the mainstream bird in its characteristics and ability to perform in our operation."

Lessard adds that, although West Liberty Foods' team will sell Crystal Lake Farms product to its customers, the two entities will operate autonomously.

"At the end of the day, West Liberty's resources will be very critical to this young business, which is in an aggressive bout of growth right now," he says. "West Liberty has certainly demonstrated its ability to develop products in the ready-to-eat space, both in foodservice and retail, and that expertise will be critical to expand our sales portfolio and move into offering some unique items not currently in the space."

Blake Evans, third-generation poultry industry veteran and founder of Crystal Lake Farms, says his company was at the point where it needed a boost to take the next step.

"For the last three years, our sales growth was over 200 percent a year, and we got to a point where we were just kind of holding on until we could add someone, add horsepower," says Evans, who is now vice president of industry affairs and genetic founder at Crystal Lake Farms. "West Liberty will make it easier for Crystal Lake to get where it needs to be much quicker."

## Building a better bird

The story of this slow-growth chicken processor is one of quick acceptance and demand, spearheaded by industry experience.

Crystal Lake Farms was built around the success of its founding family's heritage: poultry genetics. Evans is the grandson of Lloyd Peterson, founder of Peterson Farms and creator of the "Peterson Male" breed that dominated broiler populations for decades at the end of the 20th century. Evans joined Peterson Farms as CEO in 2004, but had been around the operation most of his life. Not long after Peterson's death in 2007, the business was sold, and Evans began to invest his efforts into developing a new breed of broiler, which would lay the foundation for Crystal Lake Farms.

The Free Ranger breed — a large-legged, highly active, ruggedly built, naked-necked broiler with attributes selected to withstand the climatological rigors of northwest Arkansas and still produce a top-quality eating experience — was the result of Crystal Lake Farms' work.

"We built this from the ground up, specific to what we do," Evans says. "The Free Ranger carries meat quality and better taste, the birds are active, and the housing provides enrichment areas and access to natural areas outside — all to promote the bird and its activity."

Lessard calls the bird "very robust," and at the time of *The National Provisioner*'s visit in November 2017, Crystal Lake Farms had yet to use any antibiotics on the birds.

"At the same time, that robustness gives us a bird that has a great walking score ... at 42 days of age," he says. Regarding the naked neck feature of the Free Ranger, Evans says the breed passed an early test during a rough summer stretch of approximately 30 consecutive days of high temperatures above 100 degrees F.



Additionally under GAP Step 4 certification, broilers must have access to pasture at all times. During *The National Provisioner's* visit, the weather was on the colder side, so many birds remained inside, but as seen here, some ventured out of the house.

"We saw, on the naked-neck side, our breed had less than half the mortality versus the full-feathered birds," he says. "And when we opened the doors for the feathered birds, they didn't want to go outside."

Lastly, Lessard and Evans say that the livability of its birds, based on placed vs. caught percentages, is above the published industry average. Of course, Crystal Lake Farms is held to a higher standard of livability based on its third-party certifications.

Crystal Lake Farms products are certified by the Global Animal Partnership (GAP) at Step 4 (of a six-step program), which means the company limits bird population density in chicken houses (Step 1), offers perches and other enrichments to the birds' environment (Step 2), and offers outdoor access seasonally (Step 3) or pasture access year-round (Step 4). GAP steps 5 and 5-plus require

chickens to be always on pasture and never leave the farm, respectively. Although Lessard says that Crystal Lake Farms operates this way for the birds' benefit, it also fits with growing consumer demands today.

"Our uniqueness falls back to our production practices being superior to other practices from an animal-wellness standpoint," he says. "We use a production model that is in the animal's best interest and gives customers a true dining experience, and that difference is very appealing to our customer base.

"The Millennial generation, especially, wants to feel that they have a product that makes them feel good about what they're serving to their family," Lessard adds. With the Free Ranger breed as the foundation, he says to expect a laundry list of product innovations to hit the market in the not-so-distant future. When

asked if further-processed products will populate the Crystal Lake Farms portfolio, Lessard mentions more attributes of the Free Ranger bird as the catalyst for product innovation, and advises us to stay tuned.

"The texture of the meat [and geometry and structure of the bird] provides for more applications, flavor enhancement and a wide variety of weights," he explains. "The size we grow our birds to eliminates a lot of the problems the mainstream [processors] are seeing with woody breast and other inherent defects."

According to Evans, Crystal Lake Farms was expected to begin tests to sex chicks by color in the hatcheries by the time this article published, the goal being to eliminate other stressful methods currently in use in the industry and also give Crystal Lake Farms the opportunity to grow birds to specific weights more efficiently.



Consistency and a well-defined muscle structure have resulted from Crystal Lake Farms' work in developing the Free Ranger breed, as shown in the company's Jay, Okla., plant.

## **Building** a better process

Crystal Lake Farms' road to becoming a processor has been winding, but short. Initially, Free Ranger birds were hand-processed, all manual labor — a terribly inefficient and expensive situation. Looking for a more streamlined operation, in 2013, Evans worked his industry rolodex and struck a deal to have Crystal Lake Farms product processed at a plant roughly 25 miles west, in Jay, Okla.

After the plant owners told Evans in 2014 that the facility would be shut down, Crystal Lake Farms purchased it and closed the deal in April 2015, entering the processing business. Since then, Crystal Lake Farms has made renovations to areas set up for spenthen processing, which took up much

of the production time in the plant's prior life. Retail packaging machines for fresh whole birds and fresh parts were the first major investments. Today, with West Liberty Foods in the picture, technological investment will ramp up further.

"One of the things that is different today than prior to the acquisition is that we've evaluated our facilities and been very aggressive on updating those facilities to meet West Liberty Foods standards," Lessard explains. "We've got more work to do, but that process has already started, with automation coming on board [during the holidays, prior to publication]."

Beyond improvements within its own walls, Crystal Lake Farms already has benefitted from West Liberty Foods' acquisition. Although the Jay plant still harvests birds and processes whole-bird and foodservice products, West Liberty Foods' Bolingbrook, Ill., plant now handles deboning for fresh chicken parts.

"[Previously,] product was deboned [off-site] and shipped back to Jay for packaging, so there's been a little bit of an evolution," Lessard says. Now, the Bolingbrook facility ships Crystal Lake Farms product a few miles down the road for distribution through Liberty Cold—another business in the West Liberty Foods family of companies. Evans believes this setup will work in the short term, but as capacity increases, Crystal Lake Farms will need to find additional options.

"As we grow, there is additional capacity within West Liberty Foods,"

he says. "Fast-forward, however, to a longer term, and I can see us becoming even more self-sufficient with our own operations in northwest Arkansas."

Lessard says that outlook fits right in with the culture at West Liberty Foods, and with the ability to ramp up production of Free Ranger birds pretty easily, operations may be pressed to catch up and expand very soon.

"Our next big step will be to put a second processing line in the [Jay] facility, and I think that will show a lot more innovation from Crystal Lake Farms," he says. "Our labor pool is going to become smaller and smaller, and consequently, automation will be the answer there. ... Tapping into innovation and taking it throughout live production and processing will pay large dividends."

Lessard believes the future for Crystal Lake Farms remains bright, based on customers who have already committed to the slow-growth model, as well as those customers who are considering making the commitment — and he and Evans know the company can keep up with demand, at the right speed.

"I feel good about our ability to grow at a sustained rate — our producer base is on a waiting list right now," Lessard says. "Where we would have a challenge would be if one of the mainstream customers who have committed to slow-growth chicken waited until 2023 to start the process.

"They need to start planning today, because this is a major conversion to meet their commitments," he cautions. As such, Crystal Lake Farms has been an outspoken champion to its customers about the realities of making the transition.

"Part of my job is making sure these companies that make this commitment understand what they've committed to and what the impact on the supply chain will be, and then



Even chicks at the hatcheries are transported at lower densities in the boxes, headed for the chicken farms.

help get them from Point A to Point B," Evans says. "But we need to start to do that early — if everyone waits until a certain point, they won't meet their commitments."

Meanwhile, Lessard says, Crystal Lake Farms will continue to promote its Free Ranger breed and hope customers see the benefits that the robust bird, its nutrition and its environment bring to the plates of their consumers.

"Ideally, our bird would be recognized as the preferred slow-growth breed in the industry, based on the uniqueness of the Free Ranger animal," he concludes. For a company founded on the premise of creating a better bird and a great eating experience, Crystal Lake Farms appears on track — with West Liberty Foods being crystal clear on how the two companies can work together to stimulate further growth. NP