

BOB AND GRAY SHIPLEY SHIPLEY FARMS

A month into the Great Depression and at 17 years old, Bob Shipley's father, R.G., inherited the family farm up in the mountains of Western North Carolina. Shipley Farm, just three or four miles west of Boone, stretched over 100 acres filled with cattle, sheep, and tobacco. Along with teaching and extension work, for the next 86 years, R.G. Shipley, Sr. operated the farm with an interest in helping not only his family, but the local community as well.

When R.G. got far enough into his career, he was responsible for setting up the community cannery out of the high school where he also taught vocational agriculture. "When he decided he needed something, he was going to do something that would benefit everybody else that needed something too," says grandson Gray Shipley. "It was always a community effort."

In 2014, at the age of 101, R.G. partnered with Bob and Gray, his son and grandson, to launch into a new line of business as Shipley Farms, LLC – selling packaged beef, instead of livestock. Prior to COVID, 80 percent of their business was supplying beef to local restaurants from Charlotte to Wilmington. "There is a quality that comes out of the Appalachian Mountains that is really competitive and distinct," says Gray. "To us there is something a little unique and better about an animal that has been raised in the mountains."

Bob and Gray are among the many North Carolina small-business owners who have received a loan through the NC COVID-19 Rapid Recovery Loan program. NC Rapid Recovery is a statewide consortium of partners—including the Golden LEAF Foundation, the NC Rural Center, and currently seven nonprofit lenders—working



Bob Shipley (left), R.G. Shipley Sr., and Gray Shipley (right)

PARTNER ORGANIZATIONS



across the state to support small-business owners struggling with the economic impact of COVID-19.

COVID-19 upended every aspect of typical business at Shipley Farms, starting as soon as their restaurant partners started to struggle. “I don’t think any industry has suffered more than the restaurant industry, especially the local restaurants with chefs willing to spend more on the quality of their food,” says Gray. “And those are the ones taking the hardest hit, unfortunately.”

The next major interruption happened on the processing side of the business. Farmers looking to sell retail animal products need to have their livestock slaughtered and packaged at a USDA inspected processing facility. The nearest facility an hour down the road could typically fit them in with a few weeks notice. By April, that wait time increased to 18 months due to widespread industry complications: slowed production, labor issues, adjustments in workflow, and COVID illnesses.

The solution was to create and operate their own USDA-inspected facility; collaborating with a neighbor who ran a seasonal deer processing facility that they quickly converted into a USDA-inspected custom meat processor. “It was basically that we could either go out of business or start an extra business and we figured, well, let’s start an extra business,” says Gray. “It ended up being a help for the rest of the community and other local farmers that didn’t really have an outlet.”

In addition to partnering with Thread Capital for a COVID-19 Rapid Recovery Loan, the Shipleys took advantage of an IMPEC Grant from the North Carolina Department of Agriculture to get the processing facility up and running. Together Shipley Farms and the newly formed Watauga Butchery employ a dozen people, with more job growth expected in the coming months.

“No question it has helped us tremendously with the processing effort and with Shipley Farms being able to invest and help local farmers,” says Gray. “Jobs, investment, capacity expansion, starting up the processing—all of those things have been greatly benefited from the Rapid Recovery funds as well as just keeping things moving in the first place.”



Shipley Farms, LLC's loan was administered by Thread Capital, one of the nonprofit Rapid Recovery lenders. To learn more about the NC COVID-19 Rapid Recovery Loan, visit www.ncrapidrecovery.org.