

Resources and Notes on Local/Regional Meat Processing and Marketing

Follow-up from April 29th phone call with MU Extension educators, Missouri Farmers Care Executive Director, Ashley McCarty & Commissioner Josh Muck

Notes from Sarah Low (MU Extension Exceed): This document contains resources for those interested in local meat marketing and infrastructure (e.g., upping capacity at locker lockers, freezers at county extension offices for food distribution & storage, etc.).

Funding sources: <https://agriculture.mo.gov/abd/financial/meatprocessingfacility.php>

<https://agriculture.mo.gov/abd/financial/valaddgrant.php>

<https://www.rd.usda.gov/programs-services/value-added-producer-grants>

There are a number of MASBDA-funded projects that may be relevant. Talk to Marla Young at MASBDA if interested; in addition to the statewide public-domain studies, the private plans go into the public domain after a few years. More funding ideas at the end of this document, from Alice Roach, our meat marketing expert.

Regulatory & Research Resources:

<https://www.nichemeatprocessing.org/> (based at Oregon State, niche meat processing resources)

<https://www.ers.usda.gov/publications/pub-details/?pubid=45095> (USDA ERS report on selling meat locally, identifying challenges and causes)

<https://www.ers.usda.gov/amber-waves/2013/december/solving-processing-issues-a-key-to-successful-local-meat-marketing/> (Short summary article on processing issues in local meat marketing)

<https://www.foodsystemsjournal.org/index.php/fsj/article/view/249> (case studies of 4 collaborative efforts to market meat locally and implement the necessary infrastructure)

https://www.researchgate.net/publication/320690518_A_beginner's_guide_to_local_meat_processing (Extension guide to local meat processing)

mofoodfinder.org Website for discovering local food sources, free for sellers and buyers, hosted by MU Extension

Dr. Mark C. White—MU Extension Labor & Workforce Development Program

Under Dr. White's leadership, MU Extension recently conducted a workforce needs assessment of the state's food, agriculture and forestry workforce. As part of this work, the team received input from small, medium and large meat processors through an employer survey and key informant interviews that occurred between January and early March 2020. This research showed that the greatest challenge facing smaller meat processors (e.g., less than 100 workers) was finding reliable, front-line workers—particularly for slaughter floor and meat cutting jobs. The final report will be released in June or early July. The report is funded by MASBDA and sponsored by MDA and the Missouri Ag Foundation.

Dr. Keri Jacobs—Iowa State

A "lessons learned" case about a co-op processing venture that failed in 2000: <https://www.extension.iastate.edu/agdm/wholefarm/html/c5-220.html>

A "lessons learned" case about a livestock processing co-op that is/was struggling, from WA (Livestock Producers Cooperative Association): <https://extension.oregonstate.edu/food/processing/lessons-learned-local-meat-processing-livestock-producers-cooperative-association>

Mike Boland said to check out Mountain States Lamb—they own the former JBS plant in Greeley CO (producer-owned processing): <http://www.mslamb.com/>

Phil Kenkel (OK State) said he and a colleague at the OH State (Rodney Holcomb) have a feasibility tool for analyzing small to medium size meat processing operations. He said estimating costs isn't hard, but it is hard to determine product value because byproducts can be valuable to a large processor with international connections, but expensive (not a value-product) to niche processors without those connections. (*Contact Sarah Low for this material*).

MU Extension Commercial Ag Program

We worked a bit on meat processing in the Missouri value-added study for MDA (contact Sarah for the PDF: Missouri Beef Value-Added Study FINAL report) a few years. An outcome of this effort was MASBDA's program for meat processors. <https://agriculture.mo.gov/abd/financial/meatprocessingfacility.php>. To my knowledge, I think many Missouri plants are taking advantage of this tax credit program.

Also, we worked a bit on revitalizing the Show-Me Livestock Beef plant in Macon. It was proposed as a new gen coop, and Missouri Enterprise did the feasibility report and business planning. We just helped some on the marketing side. Not a successful venture, the old facility was in pretty rough shape and poorly located.

Last, there was an effort a few years ago by MDA interested in looking at a commodity beef plant. MDA was going to write a grant to USDA, and we gave them a scope of work (contact Sarah for the Word doc: MDA Beef Processing Scope of Work 4.26.18). More interested in beef cow slaughter. Effort died. A number of proposals have moved forward over the years, but fallen short of actually getting built. [Bryon Wiegand](#) in animal science would be a good resource into what's been done with existing small meat processors in Missouri. I agree a new gen specialty project could work and keep more of the small plants in business. [John Woods](#) built a similar system, but went with existing slaughter plants and morphed more into a marketing platform as the business succeeded. Same with [Raincrow Ranch](#). Like dairy processors, the successful ones discover the profitability comes from marketing and not production or processing.

Alice Roach—DASS, CAFNR, University of Missouri

Alice and Jill Moreland are in the midst of a MASBDA niche meat study centered on market intelligence. It is not yet complete—if interested, let us know and we'll ensure you get a copy when it is

complete. From Alice: We've looked at product diversification opportunities (e.g., meat snacks, bone broth, meat-plant blends), and we're in the process of summarizing trends in attribute-based marketing (e.g., organic, humanely raised). For product diversification, our data are all specific to pre-coronavirus market conditions. For the attributes-based marketing, I'm hoping to integrate shifts in product preferences given COVID. None of our research report is yet public. In terms of marketing communications/distribution, that was the focus of our one-day workshop in March. I think most presenters consented to sharing their presentation slides with attendees, so we could share them with a group if interested.

Funding sources from Alice:

For Freezers: The Missouri Value-Added Agriculture "Farm to Table" Grant Program might be an option for some of the infrastructure needs as long as the applicant sells to institutions. MASBDA considers the following to be eligible institutions: schools, correctional facilities, hospitals, nursing homes, long-term care facilities and military bases. However, it says that it doesn't consider institutions to be limited to this list. Here's more information: <https://agriculture.mo.gov/abd/financial/farmtotable.php>.

If producers are involved, then it might be beneficial to watch the Farmer Relief Fund from the American Farmland Trust: <https://farmland.org/farmer-relief-fund/>. The fund was to provide \$1,000 grants to producers who sell directly to consumers, but the available funds have been exhausted. The group looks like it will continue raising funds, so another wave of funding might materialize at some point. The \$1,000 doesn't go too far but could help to offset marketing expenses.

There's a "Coping With COVID-19: Business Strategies for Small Meat Processors" webinar tomorrow that might be helpful to answer operational questions: <https://www.provisioneronline.com/events/1000-coping-with-covid-19-business-strategies-for-small-meat-processors>. It's hosted by Independent Processor and the American Association of Meat Processors.

In terms of market insights, this afternoon, I saw the results of a consumer survey from Inspire PR Group and Illuminology that looked into how consumer food purchase behaviors have evolved because of COVID-19. The full report is available for download at <https://www.inspireprgroup.com/research/>.

Notes from Others:

There are lots of feasibility studies looking at small & mid-sized coop processors. Neal Bradehoeft from Alma would be happy to discuss the Alma Meats story.

MASBDA funded a large-scale processing facility feasibility study a few years ago (following Triumph and Seaboard models)—the project required an industry partner for marketing and management and no partner was interested.

The first question to ask any MO small-scale meat processor wanting to scale up. Are you ready to tell your deer hunting clientele no? Most processors will admit their bread-n-butter is 45 days in the fall around deer processing and do not have the appetite to walk away to build a different business model.

