

MICHIGAN STATE

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Recommendations for Marketing Youth Animal Projects - Beef

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Overview

As an important part of raising livestock, youth need to market their animal project. This document will serve as a guide to help youth market, establish pricing, find a processor, keep records, and evaluate transportation considerations.

Marketing

When marketing a youth animal project, make sure to use the 5 Ps of marketing:

- **Product** Understand the benefits and unique qualities of your animal.
- Price Understand your break-even point and determine how you will price your animal.
- **Place** Know where your customer will be purchasing your animal.
- **Promotion** Think about how you will advertise your animal.
- **People** Develop relationships with local families, businesses, industries, and organizations. These relationships will create a demand for your animal.

For more about marketing your animal project, review the <u>Youth Business Guide to Success: Make the Most of</u> Your 4-H Market Animal Project.

Pricing Your Animal Project

When establishing the price for your animal, you can sell it by the pound using either live or hanging carcass weight, or by a flat price per animal. Negotiation between the buyer and seller may take place to arrive at an agreeable price.

- Price by the pound using live weight Use the <u>regional market prices</u> guide. When selling animals by live weight, you **must use a certified scale** to determine the weight of the animal.
- Hanging carcass weight The processor will provide a weight for you. To calculate an estimated hanging carcass weight price, you can use the <u>Grain Fed Freezer Beef Pricing Worksheet</u>.
- Price per animal This is a price that will be required to purchase your animal. This method of selling is also known as "selling by the head."

Estimated Amount of Meat

When selling your animal, give the buyer an approximate idea of how much beef they should expect to receive. The <u>average dressing percentage</u> of beef animals from live weight to carcass weight is 62% (range 57–64%). The take-home packaged meat is less than the carcass weight and accounts for things such as large bone removal and trimming. The amount of retail cuts is approximately 68% of the carcass weight for beef. It is important to communicate this to ensure 1) the buyer has adequate freezer space and 2) there is no confusion about why they may have purchased a 1,250 lb animal and are only receiving approximately 500 lbs of take-home, packaged retail cuts (Figure 1). For more information, read "How Much to Expect When Buying Freezer Beef: Part 1" and "Part 2."

To contact an expert in your area, visit extension.msu.edu/experts or call 888-MSUE4MI (888-678-3464).

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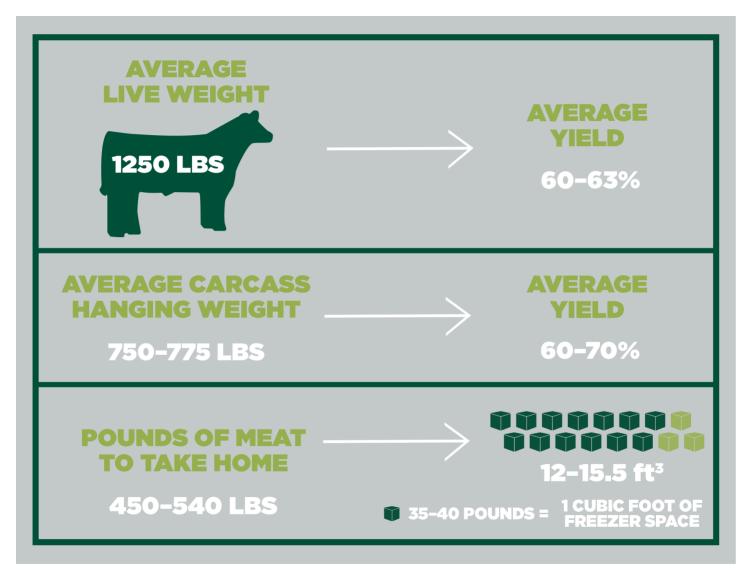


Figure 1. Approximate pounds of take-home meat from a 1250 pound live beef animal.

Processing

The interactive **map of meat processing and slaughter facilities in Michigan** can help you find a processer. The map lists many of them, including those that are U.S. Department of Agriculture (USDA) inspected. Custom-exempt meat processors are not required to have a federal inspector present when they process meat only for the owner(s) of the live animal. When custom-exempt processing is used, the hanging carcass weight can still be used for final pricing, but the sale must be documented for the live animal. The owner of the live animal accepts responsibility for having the animal harvested without federal inspection. When using custom-exempt processors, **you may not sell or donate packages of meat and each package is marked "not for sale."** If you choose to resell or donate individual packages, you must use a USDA-inspected processor. You must schedule a time for your animal to be processed. Most processors have appointments scheduled months to a year in advance. Knowing what cutting services and packaging options are available by the processor will also be important in helping your buyer understand what products they may want from the animal they

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purchase. Communicate any fees associated with processing to your buyer. Additional resources are available to help customers decide <u>what cuts are available</u>.

Animal Health and Handling

Your animals' health is important to providing a safe, healthy product to the buyer. Food safety and animal well-being are taught as part of the <u>Youth for the Quality Care of Animals</u>. The <u>Beef Quality Assurance Field</u> <u>Guide</u> also had resources related to animal health, proper handing, and considerations for transportation important for producing a quality beef product.

Transportation of the Animal

Each market animal should have a transportation plan. Consider that the animal must be handled in an acceptable manner, and know who will transport it. Determine delivery logistics: timeframe, hauling fees, availability of appropriate unloading facilities, and unloading requirements. (Many processors do not allow customers to unload their own animals.) Be sure to account for the cost of time, equipment use, and fuel associated with transportation.

Record Keeping and Budgets

Record keeping and establishing a budget are important life skills learned in your livestock project. These skills will help you make marketing and management decisions with your project. A good record-keeping program will help you make decisions both now and in the future. For more information on record keeping including templates, see the Michigan 4-H Market Animal Project Record Book.

Resources

Beef Quality Assurance Field Guide
https://www.bqa.org/Media/BQA/Docs/bqa_fieldguide.pdf
Beginners Guide to Freezer Beef Processing
https://www.canr.msu.edu/news/beginners_guide_to_freezer_beef_processing
Grain Fed Freezer Beef Pricing Guide
https://www.canr.msu.edu/resources/grain-fed-freezer-beef-pricing-worksheet-1
How Much to Expect When Buying Freezer Beef: Part One
https://www.canr.msu.edu/news/how_much_to_expect_when_buying_freezer_beef_part_one/
How Much to Expect When Buying Freezer Beef: Part Two
https://www.canr.msu.edu/news/how_much_to_expect_when_buying_freezer_beef_part_two/
Map of meat processing and slaughter facilities in Michigan
https://www.canr.msu.edu/meat_marketing_processing/michigan_meat_processing_capacity_assessm
ent_final_report
Meat, Poultry and Egg Product Inspection Directory
https://www.fsis.usda.gov/wps/portal/fsis/topics/inspection/mpi-directory
Michigan 4-H Market Animal Project Record Book
https://www.canr.msu.edu/resources/4_h_market_animal_record_book
National Daily Cattle & Beef Summary
https://mymarketnews.ams.usda.gov/viewReport/2870
Regional Market Guide
https://www.canr.msu.edu/meat_marketing_processing/
Youth Business Guide to Success: Make the Most of Your 4-H Market Animal Project
https://www.canr.msu.edu/youth_business_guide_to_success/
Youth for the Quality Care of Animals
http://yqca.org/



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Beef Educator

Questions

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