This map shows the current geographic distribution of meat processing activity in Michigan, including USDA inspected slaughter and processing and processors licensed by the Michigan Department of Agriculture and Rural Development (MDARD). There is some meat processing activity in all 83 counties.

HOW FAR DO YOU NEED TO DRIVE?

<table>
<thead>
<tr>
<th>Number of responses</th>
<th>Nearest USDA slaughter facility</th>
<th>Nearest custom slaughter facility</th>
<th>Nearest meat processor</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0 10 25 50 75 100 miles</td>
<td>0 10 25 50 75 100 miles</td>
<td>0 10 25 50 75 100</td>
</tr>
</tbody>
</table>

32% 34% 60%

MICHIGAN RED MEAT SURVEY 2014

A visual guide to responses to our Michigan Meat Processing Capacity Survey, Spring 2014
This survey was developed to capture the state of the meat industry in Michigan, excluding poultry. Surveys were distributed via mail or email to 402 known meat processors throughout Michigan including meat packers, wholesalers, retail markets, and butchers. 111 surveys were returned and analyzed (28% response rate). This data visualization does not represent the Michigan meat industry as a whole, but rather illustrates a snapshot of survey respondents.

Survey results indicate that meat processing operations in Michigan are diverse in size, age, business structure, and capacity. Michigan meat products flow through a variety of value chains with meat processors connecting livestock producers to end markets. The term “value chains” refers to a business model in which producers and buyers form collaborative partnerships with other supply chain actors to enhance financial returns through product differentiation, such as “local” or “pastured” meats. While survey respondents indicated that fresh boxed meat was the most common method of purchasing raw materials, nearly half (41%) said they slaughter livestock. Of these, fewer participate in specialty slaughter including certified organic (11%), Halal (6%), and Kosher harvest (5%). The survey shows that 94% of respondents produced cooked or heat-treated products; only 6% did not.

On average, 90% of product made is sold within the state of Michigan.

When sourcing meat and livestock for their operations, survey respondents said that 38% of livestock and 24% of purchased boxed meat come from known Michigan-raised sources. This indicates a significant role in the local food system.

The proportion of Michigan-sourced meat and livestock sourced by processors, and the amount of meat products sold in Michigan markets, demonstrates the importance of small and mid-sized meat processors to the viability of Michigan’s meat and livestock value chains.
WHAT DOES A MICHIGAN MEAT BUSINESS LOOK LIKE?

The majority of meat processors in Michigan are small or very small, and retail exempt operations are the most common. Retail exempt status allows shops and restaurants to trim, cut, grind, cure, and otherwise process and sell retail meats without daily Federal inspection. Custom exempt operations may slaughter and process livestock without USDA inspection, but the product can only be consumed by the owner of the live animal, their family, and non-paying guests. Federal USDA inspection allows processors to sell meat through a variety of channels including retail, wholesale, and export markets. Michigan is one of 23 states that do not operate a state inspection program.

Average age of owner

54

Gender of owner

- 57% Male
- 35% Partnership
- 8% Female

Succession plan?

- 52% Yes
- 48% No

Average year built

1975

Avg. year renovated

2005

Inspection status

- 58% USDA inspected
- 44% Retail exempt

Business focus

- 37% Products for my own shop
- 22% Custom processing
- 12% Recreational game processing
- 9% Supplying retail markets
- 6% Other
- 4% Supplying local restaurants
- 3% Producing for people who do their own direct marketing
- 2% Selling at farmers’ markets

Median number of employees by season

<table>
<thead>
<tr>
<th>Full-time</th>
<th>Part-time</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>-3</td>
</tr>
</tbody>
</table>

Slow season

Busy season

TOP CHALLENGES

Finding qualified workers

Current market conditions

Marketing

Cost of utilities

Finding sufficient ingredients

Planning for future demand

Cost of labor, insurance, health plan

Food safety regulations

Equipment costs

Debt

Seasonality of demand for product

Interaction with inspectors

Cost of commodities

Labor regulations

Taxes

Shelf-life and storage

Environmental regulations

Waste water processing

Time off regular job

Access to quality raw materials

Keeping pace with technology

Developing a successful plan

Getting ready for variance

Responses are sized by frequency; those in black were cited only once.

*77% of employees and 88% of owners learned their skills on the job without any formal training
Michigan’s meat processing industry is greatly impacted by seasonality. Livestock harvest peaks in September and lulls January through June. County fairs and the opening of white-tailed deer season may also increase lead time for scheduling livestock slaughter. The survey shows that most operations employ less than five individuals and must hire additional help during the peak processing time from late summer through fall. Despite challenges, survey respondents reflect an optimistic outlook for their businesses with potential for growth in Michigan’s meat industry.

Thanks to the authors of this survey: Jeannine Schweihofer, Sarah Wells, Steve Miller, and Rich Pirog. The survey was made possible with financial assistance from the Michigan Department of Agricultural and Rural Development and the Michigan State University Center for Regional Food Systems Livestock Workgroup. Special thanks are expressed to the Michigan meat processors who completed this survey. To view the entire survey report visit: http://foodsystems.msu.edu/resources/mi-meat-processing-report