The CRFS Livestock Work Group will conduct and coordinate research, education, and outreach to identify and address local and regional challenges confronting the value chain for differentiated livestock food and fiber products in Michigan. In these efforts, we will collaborate with members across the value chain.
CRFS LIVESTOCK WORK GROUP

Jude Barry* – CRFS
Dan Buskirk – Animal Science
Richard Ehrhardt – Animal Science
Craig Harris – Sociology
Becky Henne – MSU Extension
Darrin Karcher – Animal Science
Rich Pirog* – CRFS
Matt Raven – CARRS
Brenda Reau – MSU Product Center
Jason Rowntree – Animal Science
Dale Rozeboom – Animal Science
Janice Siegford – Animal Science
Jeannine Schweihofe – Extension
Santiago Utsumi – Kellogg Biological Station
Sarah Wells – Animal Science

* coordinators
2013 ACTIVITIES

YEAR 2:
- February & September stakeholder meeting
- Publication developed (CRFS website)
- Vision for the workgroup developed (see publication)
- Webinar – Grass Run Farms
- AFRI proposal 1 (- $500K request – submitted 5-22-13
- AFRI proposal 2 (Rowntree/ Quane) - $500K request – submitted 5-22-13
- MDARD meat processing survey
- MDARD Growth Initiative proposal (up to $150K)
- December 5 webinar
Research in Support of a Stronger Local Meat Sector

Presented by Jan Joannides,
Endowed Chair in Agricultural Systems
Minnesota Institute for Sustainable Agriculture,
University of Minnesota
Background

- Growing Interest in Food Systems
- Rumblings among Stakeholders
- MISA’s Endowed Chair in Agricultural Systems Opportunity
- Sustainable Farming Associations Farmers’ Market Promotion Program Grant
The Goal

To ensure that local meat and poultry producers and processors grow and thrive in the coming years.
Process

- Convened stakeholder group
- Have group Identify issues/opportunities
- Prioritize and develop work plans
Advisory Group

- U of MN Departments
- U of MN Centers
- Non-Profits
- Agencies
- Producer Groups
- Processor Groups
Areas of Interest

- Farmer/Producers
- Processors
- Regulatory
- Economic (markets & impacts)
Priority Projects

Develop a directory of processors aimed at producers

Develop process to clarify rules & regulations

Survey consumers to evaluate interest and demand

Survey processors

Survey farmers to identify issues, interest, capacities
Consumer Survey
Developed online survey

Launched survey and invited participation in northern Minnesota through networks and media

Received 519 completed surveys
Where do consumers purchase locally raised meat/poultry

- Grocery store: 165
- Butcher/Meat: 114
- Farmers Market: 211
- At farm store: 81
- As a whole, half or quarter animal: 218
- Community: 61
- Online: 4
- Have not: 41
- Other: 68
Factors that affect meat purchases

- Quality: Very important
- Price: Somewhat important
- Readiness: Not important
- Precooked: Very important
- Locally raised: Very important
- Family farm: Not important
Importance of Labels

<table>
<thead>
<tr>
<th>Label</th>
<th>No preference</th>
<th>No</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic</td>
<td>70%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>Local</td>
<td>70%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>Natural</td>
<td>70%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>Grass-fed</td>
<td>70%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>Free-range or low antibiotics</td>
<td>60%</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>No antibiotics or hormones</td>
<td>50%</td>
<td>30%</td>
<td>20%</td>
</tr>
<tr>
<td>Pasture raised</td>
<td>40%</td>
<td>40%</td>
<td>20%</td>
</tr>
</tbody>
</table>
Barriers to purchasing local meat

- Hard to find / buy: 35.1%
- Too expensive: 19.2%
- Large upfront payment to buy direct from farmer: 15.1%
- Lack of Freezer/Refrigerator Space: 13.3%
- Labels / claims are confusing (Organic, Natural etc): 7.1%
- Prefer fresh meat, not frozen: 5.9%
- Concerned about food safety/ level of inspection: 3.2%
- Don’t know how to cook: 1.1%
Willingness to pay per pound

- Hamburger
  - $6.51-8.00: 30%
  - $5.01-6.50: 20%
  - $3.50-5.00: 10%
  - Less than $3.50: 40%

- Chicken breast
  - $6.51-8.00: 40%
  - $5.01-6.50: 30%
  - $3.50-5.00: 20%
  - Less than $3.50: 10%

- Bacon
  - $6.51-8.00: 20%
  - $5.01-6.50: 30%
  - $3.50-5.00: 10%
  - Less than $3.50: 40%
Producer Survey
Producer Survey

- Developed survey instrument (both online and paper)
- Identified direct market meat and poultry producers
- Received 142 surveys (out of 322 contacts)
Annual Gross Farm Income

- Less than $50,000: 55%
- $50,000 to $100,000: 21%
- $100,000 to $200,000: 4%
- $200,000 to $350,000: 5%
- $350,000 to $500,000: 9%
- Over $500,000: 5%
Percentage Gross Farm Income from Animal Sales

- Less than 10%: 24%
- 10 to 25%: 21%
- 25 to 50%: 13%
- 50 to 75%: 12%
- More than 75%: 29%
Intended Buyers of Meat

- Direct to consumer (wholes, halves): 123
- Direct to consumer (farmer's market): 57
- Grocery store/Food co-ops: 40
- Restaurant/caterer: 37
- Own shops: 21
- Distributor/wholesalers: 17
- Institutions (i.e. school): 16
- Internet sales: 3
- Local/regional marketing cooperative: 2

Number of producers

Number of producers: 0 20 40 60 80 100 120
Number of Meat Producers by Type

- Cattle – 74
- Chickens – 64
- Hogs – 40
- Sheep/Lamb – 33
- Turkeys/Ducks/Geese – 20
- Goats - 15
Number of Cattle Processed for Meat Sales in 2010

<table>
<thead>
<tr>
<th>Number of producers</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10</td>
<td>44</td>
</tr>
<tr>
<td>20-30</td>
<td>11</td>
</tr>
<tr>
<td>40-50</td>
<td>7</td>
</tr>
<tr>
<td>60-70</td>
<td>5</td>
</tr>
<tr>
<td>80-90</td>
<td>1</td>
</tr>
<tr>
<td>More than 100</td>
<td>2</td>
</tr>
</tbody>
</table>
One Way Distance to Processing Plant (Cattle)

Distance in miles

<table>
<thead>
<tr>
<th>Distance in miles</th>
<th>Number of producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10</td>
<td>13</td>
</tr>
<tr>
<td>20-30</td>
<td>22</td>
</tr>
<tr>
<td>40-50</td>
<td>13</td>
</tr>
<tr>
<td>60-70</td>
<td>7</td>
</tr>
<tr>
<td>80-90</td>
<td>0</td>
</tr>
<tr>
<td>More than 100</td>
<td>2</td>
</tr>
</tbody>
</table>

Number of producers
Number Cattle Slaughtered at One Time

- 1 cattle, 35%
- 2 cattle, 42%
- 3 cattle, 6%
- 4 cattle, 10%
- 5 cattle, 1%
- 6 cattle, 4%
- 7 cattle, 3%
Types of Facilities Producers Choose

- USDA inspected, 40
- MN state inspected, 33
- Custom exempt, 22
Producer Satisfaction with Livestock Processor

- Highly satisfied: 52
- Satisfied: 36
- Somewhat satisfied: 22
- Not at all satisfied: 4

Number of producers
Chickens Processed for Meat Sales

<table>
<thead>
<tr>
<th>Number of producers</th>
<th>Number of producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 100</td>
<td>22</td>
</tr>
<tr>
<td>100-200</td>
<td>12</td>
</tr>
<tr>
<td>200-300</td>
<td>6</td>
</tr>
<tr>
<td>300-400</td>
<td>6</td>
</tr>
<tr>
<td>400-500</td>
<td>0</td>
</tr>
<tr>
<td>500-600</td>
<td>1</td>
</tr>
<tr>
<td>600-700</td>
<td>1</td>
</tr>
<tr>
<td>700-800</td>
<td>2</td>
</tr>
<tr>
<td>800-900</td>
<td>2</td>
</tr>
<tr>
<td>900-1000</td>
<td>1</td>
</tr>
<tr>
<td>1000-5000</td>
<td>7</td>
</tr>
<tr>
<td>5000-12000</td>
<td>2</td>
</tr>
<tr>
<td>Over 12000</td>
<td>1</td>
</tr>
</tbody>
</table>
One-way Distance to Processing Facility for Chicken

<table>
<thead>
<tr>
<th>Distance in miles</th>
<th>Number of producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less</td>
<td>17</td>
</tr>
<tr>
<td>11-20</td>
<td>9</td>
</tr>
<tr>
<td>21-30</td>
<td>6</td>
</tr>
<tr>
<td>31-40</td>
<td>1</td>
</tr>
<tr>
<td>41-50</td>
<td>3</td>
</tr>
<tr>
<td>51-60</td>
<td>6</td>
</tr>
<tr>
<td>61-70</td>
<td>3</td>
</tr>
<tr>
<td>71-80</td>
<td>4</td>
</tr>
<tr>
<td>81-90</td>
<td>3</td>
</tr>
<tr>
<td>91-100</td>
<td>2</td>
</tr>
<tr>
<td>Over 101</td>
<td>5</td>
</tr>
</tbody>
</table>
Producer Satisfaction with Poultry Processor

Number of producers

<table>
<thead>
<tr>
<th>Satisfaction Level</th>
<th>Number of Producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly satisfied</td>
<td>26</td>
</tr>
<tr>
<td>Satisfied</td>
<td>19</td>
</tr>
<tr>
<td>Somewhat satisfied</td>
<td>10</td>
</tr>
<tr>
<td>Not at all satisfied</td>
<td>9</td>
</tr>
</tbody>
</table>
Processor Best Assets

Quality
Reputation
Service
Proximity
Flexibility
Problems that Impacted Producer’s Business

Type of processing available (i.e. inspected)
Distance to processor
Scheduling
Lack of desired services
  - organic certification
  - storage (frozen)
  - labeling options
Service
"Move them next door."

“Our processor is very good. Wish they were closer and could process more animals."

“More processing options and closer location.”
Producer Desires

AVAILABILITY

“Greater availability of date to process.”

“Less wait time to get animals processed.”

“Too long a wait to get in for processing, and a longer time to pick up after processing.”
Producer Desires

INSPECTION

“Make them state-inspected.”

“USDA inspection so I could sell by the cut..”

“E2 inspection would really be nice because people do not want to buy the whole lamb.”
Regulation/Inspection Issues

Need to have access to USDA inspected

At the mercy of inspector’s schedule

Confusion of regulations – MDH says one thing – MDA says another

Limitation of regulation – wanting to sell meats to CSA customers, but customer would have to come to farm
Regulation/Inspection Issues

“Too many versions of the inspection rules, depending on who and when you ask. Very confusing to navigate.”

We already run into capacity issues with our processors. If we were to expand much more we would be constantly running into the issue of scheduling butcher dates. It would be nice to see more E2 or USDA inspectors in our area to increase retail sale capacity.
Local Foods Advisory Committee

Goals

Help communicate to stakeholders what the rules are,

Help to make the rules and information more transparent and clear,

Ensure consistent interpretation of the rules across the system.
Mission

Help the State of Minnesota to achieve its goals with respect to meat and food safety by serving as a conduit between MDA, MDH, other agencies, and the community/farmers/constituencies in regards to the production, processing, marketing and distribution of local foods*

* Specifically, we are focusing on the sector of the food system that includes foods for direct human consumption that are raised, gathered, or processed by farmers, farmer groups, or non-farm individuals for direct sales to:
  - Individual consumers
  - Buyers who re-sell the products to individual consumers
  - Business entities that act as brokers or distributors, but retain some level of producer identity with the products
Scope of the Advisory Committee

1. Provide a non-adversarial forum that allows all of the constituencies interested in meat, dairy, and other food processing and local sales to work collaboratively toward a common goal of reducing food-borne illness and fostering a robust local food sector.
2. Provide an opportunity for public discussion of important topics and provide a means for the public to submit comments to the MDA and MDH.
3. Represent the pertinent stakeholders

   a) Communicate stakeholders’ issues to and from the committee.

   b) Surface questions and concerns from these stakeholders related to production, processing, marketing and distribution
4. Advise on communication strategies and educational materials coming from the MDA and MDH and targeted toward stakeholders

5. Help facilitate outreach and education to stakeholders.

6. Ensure that meeting proceedings are recorded and transmitted outside the group.
Next Steps

- Processor Directory (currently being compiled)
- Processor Survey (currently underway)
The End

- For more information, contact
- Jan Joannides, jan@rtcinfo.org or 612-251-7304