

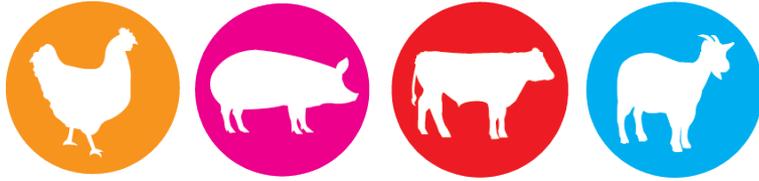
Profitable Meat Marketing

Part II



**Cooperative
Extension**
Tompkins County

Matt LeRoux
Cornell Cooperative Extension



Profitable Meat Marketing

Matt LeRoux

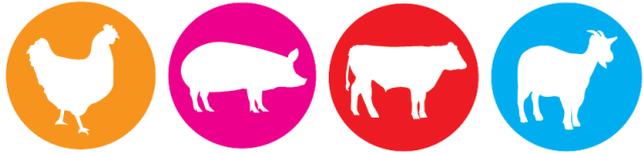


**Cooperative
Extension**
Tompkins County

- Marketing Specialist at CCE-Tompkins County.
- Master's in Ag/Food Marketing.
- Worked for 5 years for the New England Livestock Alliance & Heritage Breeds Conservancy.
- Started 2 brands of Natural & Grass-fed beef.
- Certified Ultrasound Technician

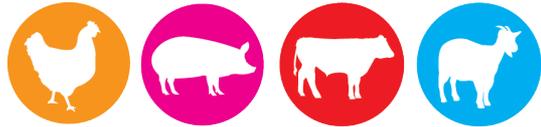


FINGER LAKES



MEAT PROJECT

To increase the Freezer Trade.



MEATSUITE.com

Directory of farms selling in bulk.

Fill Your Freezer: How to Buy Local Meat

Consumer Education



Cornell Meat Price & Yield Calculator

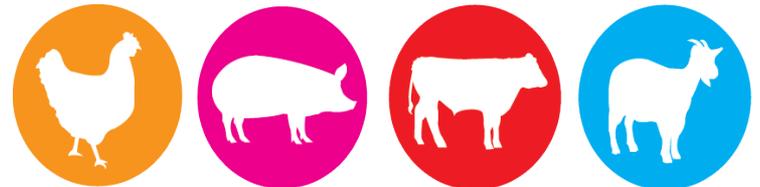
Farmer Pricing Tool



THE MEAT LOCKER

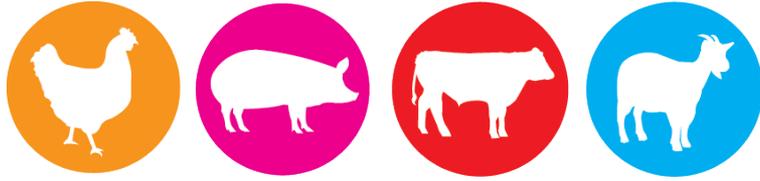
FINGERLAKESMEATPROJECT.COM

Consumer storage for bulk purchases.



Profitable Meat Marketing

Producer Education

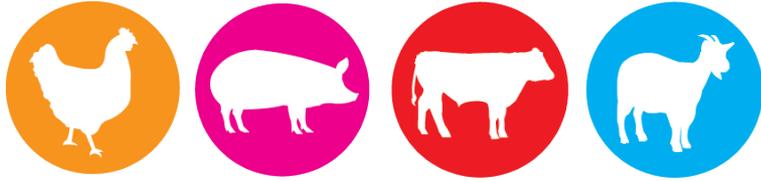


MEATSUITE.com

Average Freezer Trade prices on
MeatSuite.com:

- Beef: \$4.10 HCW (104 farms)(1/4)
- Pork: \$3.89 HCW (70)(1/2)
- Chicken: \$4.13/lb. (51)(whole)
- Lamb: \$7.64 HCW (34)(whole)

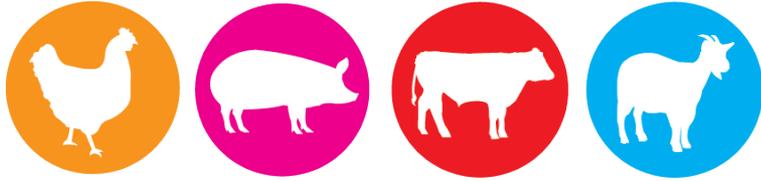
**Prices include processing. Updated Dec. '17*



Profitable Meat Marketing

A selection of Farmers' Market Beef Prices:

Cut Name	Farmers' Market Avg.	Wegmans (FYFGA*)
Ground Beef	\$5.79 (n=6)	\$5.99*
Strip Steak	\$13.43 (n=7)	\$19.19*
Eye Round Roast	\$7.25 (n=3)	\$3.69
Sirloin Steak	\$10.21 (n=7)	\$14.99*
Short Ribs	\$5.05 (n=5)	\$7.29
Chuck Roast	\$6.75 (n=5)	\$11.49*



Profitable Meat Marketing

What are the farm's financial goals?

Per Year

Per Species

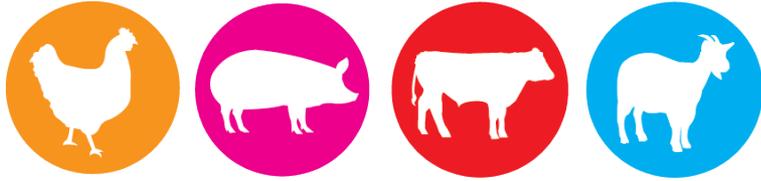
Per Head

How much do we wish to make in Gross Sales?

How many head do we need to market to reach that?

How much do we expect to retain as Profit?

Now we can create sales projections and write specific objectives!



Profitable Meat Marketing

Channels for Meat Sales

By the carcass

Commodity

Small/regional brand

Co-op brand

Retail stores

Restaurants

Freezer trade

Institutions

By the cut

Farmers' Markets

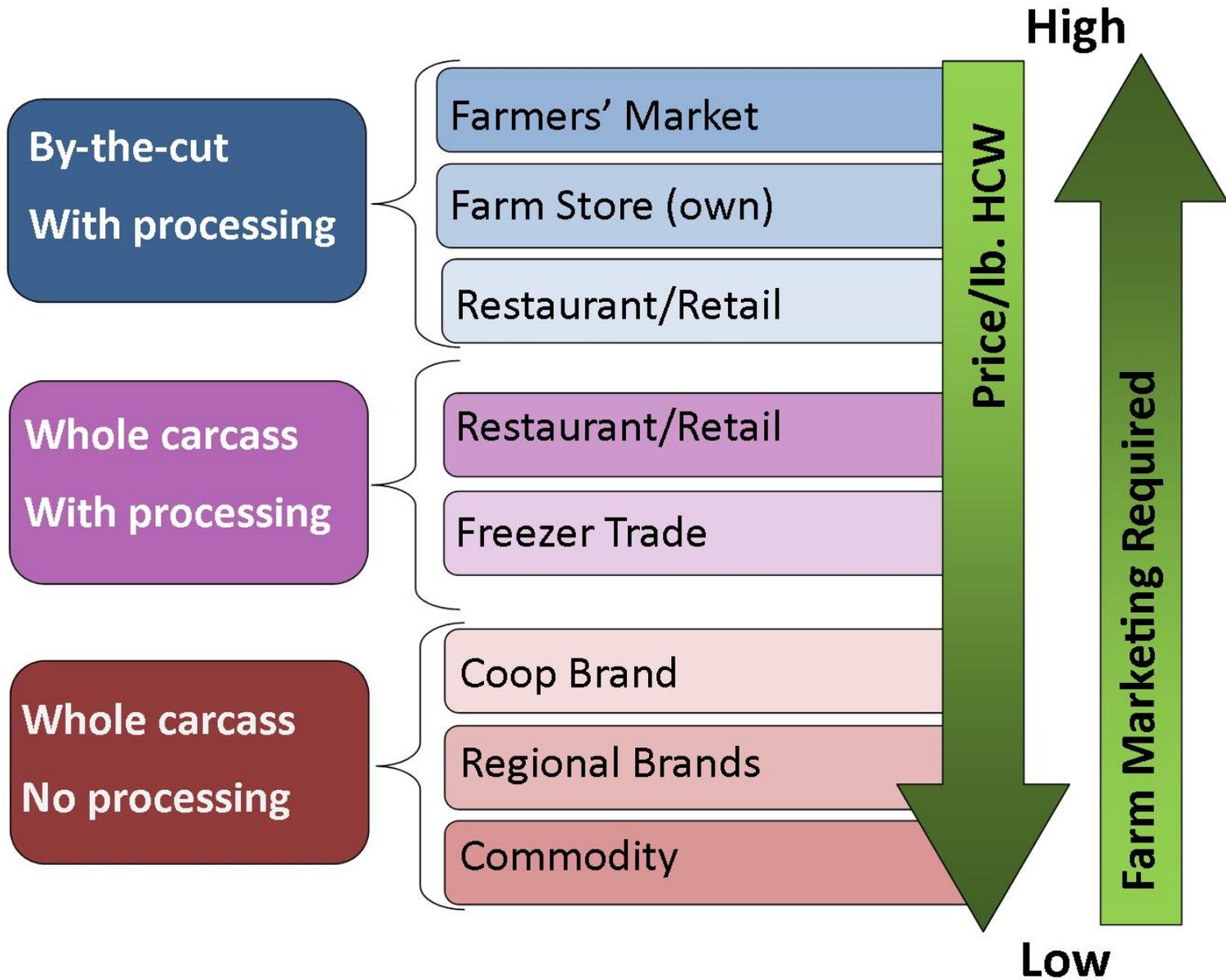
Farm Store (own)

Meat CSA

Retail stores

Restaurants

Institutions





Cornell Meat Price & Yield Calculator

Each Channel has different costs.

Each cut comes in a proportion.

Each cut has a level of demand.

Therefore, we need pricing for each channel.



Cornell Meat Price & Yield Calculator

In fact, why expect a different level of profit in each channel?



Cornell Meat Price & Yield Calculator

■ Cost of Production ■ Processing Cost ■ Desired Profit/head ■ Marketing Labor Cost





Cornell Meat Price & Yield Calculator

Using the Price Calculator

1. Identify income & profit goals
2. Understand production costs.
3. Develop a price that works for each channel.



Cornell Meat Price & Yield Calculator

Base Price & Premiums

Production



Marketing & Sales

Breeding Herd

SELLS FEEDER TO

Feeding & Finishing

SELLS FINISHED ANIMAL TO

Marketing & Sales

PAYS PROCESSOR

Marketing & Sales

Adding Costs & Increasing Risk



Cornell Meat
Price & Yield
Calculator

Calculator Prep 1

- What is my cost of production?
- How much profit would I like my PRODUCTION business to make on 1 head?



Cornell Meat Price & Yield Calculator

Calculator Prep 2

- How much profit would I like on 1 head?
- How much time will I invest in selling?

Channel	Estimated labor/head
Farmers' Market	40
Restaurants	20
Freezer Trade	10
Commodity/Small Brand	1-3



**Cornell Meat
Price & Yield
Calculator**

Go to Calculator

<http://calculator.meatsuite.com/>



Livestock Yield & Price Calculator

What's the point?

- To ensure a profit.
- To test & adjust current market channels.
- To account for labor & costs.
- To manage inventory of cuts.
- To evaluate and price for new opportunity.
- To aid wholesale buyers.
- To develop channel-specific pricing that works!



Livestock Yield & Price Calculator

Summary

- COP: \$1300
- Prod. Profit: \$ 100
- Transport: \$ 70
- Kill, C&W: \$ 599
- Mrkt. Labor \$ 600
- Mrkt. Profit \$ 500
- SUM **\$3169**



Cornell Meat Price & Yield Calculator

What's the point?

	WTD AVG Cuts Price	Extended (x 389.5 lbs.)	Difference from goal
Original	\$6.75	\$2,630	- \$538
AVG Calc. User (n=22)	\$7.37	\$2,871	- \$298
Revised	\$8.16	\$3,177	+ \$7.25



Cornell Meat Price & Yield Calculator

User Stats

Farmers Markets				
	WTD AVG Cuts \$/lb.			
	Original	Revised	% Increase	# Farms
Beef	\$7.37	\$7.43	4.8%	22
Pork	\$7.97	\$8.31	4.3%	14
Lamb	\$10.69	\$10.77	0.7%	6



Cornell Meat
Price & Yield
Calculator

What's the point?

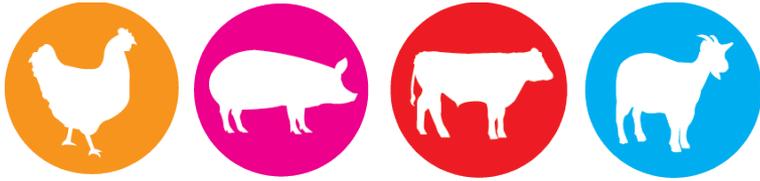
- So, what does it mean if you develop pricing but determine that your customers in that channel “would never pay those prices?”



Cornell Meat Price & Yield Calculator

For Successful Use

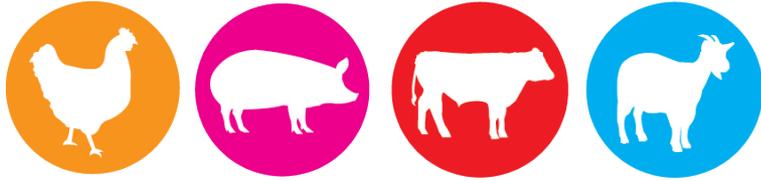
- Prepare in advance.
- Set aside the time.
- Estimate COP.
- Decide Production Profit/head.
- Estimate Marketing Time.
- 1 head data (or AVG).
- Weigh all cuts.
- Processing invoice.
- Trucking time & \$.
- Current channel prices.



Profitable Meat Marketing

Why go freezer trade?

- Premium pricing (above market).
- Whole carcass demand.
- USDA-inspection not necessary.
- Efficient marketing (low labor).
- Affordable for consumers.
- Less need for year round supply.
- No inventory mgmt., reduces risk & labor



Profitable Meat Marketing

Gross sales/hour marketing labor

	Total Gross Sales	Marketing Hours	Gross Sales/hour
Farmers Market	\$3,236	36	\$90
Freezer Trade	\$2,665	8-12	\$333-\$222



Meat Suite

[Home](#)[Farms](#)[Learn More](#)[About](#)[Login](#)

Welcome to Meat Suite!

Meat Suite is a website designed to help you find locally produced, high quality meats in bulk. No matter your buying preference the Meat Suite aims to help you find your farmer!

Find a Farm within



miles of

that sells



Why?

When you buy in bulk from local farmers you:

- ✓ Get great quality meats at affordable prices
- ✓ Support local farms and butchers
- ✓ Know where your food comes from
- ✓ Strengthen your local & regional economy

Add your farm

Own a farm that sells meat in bulk? Add it to Meat Suite!

Learn More

Have questions? Read our [Learn More](#) page or email us at contact@meatsuite.com.



Farms

Print List Map

Search Clear Search

Location
Within

miles of

Product
Beef

Search Again Clear

Search Again

Showing 18 Search Results

Barrows Farm

1279 Caldwell Hill Rd., Lisle

Grass Fed (No grain) Pasture Raised Heritage Breed

Rotationally grazed 120 acre farm that raises poultry, rose veal and beef. We do not feed grain to any of the cattle, instead focusing on high quality pastures, winter stockpiled grasses and hay. Vi...

Edit View

Bedient Farms

ACCEPTS PAYMENT PLANS

750 West Swamp Road, Middlesex

Pasture Raised

Pasture-based beef operation, raising shorthorn-cross cow-calves and finishing all our beef for direct sale to the consumer. We are not grass-fed only because we supplement some corn silage in the wi...

Edit View

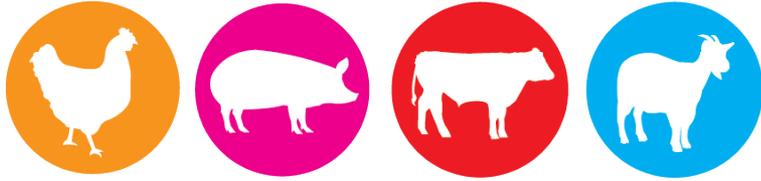
CBLM Farms

ACCEPTS PAYMENT PLANS

1980 Riff Road, Corning

Pasture Raised

Happy Black Angus steers and heifers frolic in ample pasture all year in a rotation grazing system that allows for these few lucky cattle to eat the most natural way possible. Judicious use of kale...



Profitable Meat Marketing

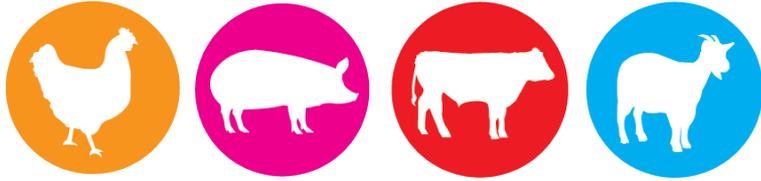


Resources

Cornell Smart Marketing Series

Oct-Dec. 2017 & Jan. 2018

<https://dyson.cornell.edu/outreach/smart-marketing-newsletter.html>



Profitable Meat Marketing

CONTACT INFORMATION

Matthew LeRoux

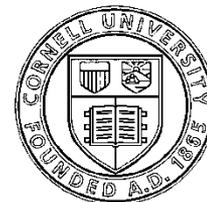
Agricultural Marketing Specialist

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**Cooperative
Extension**
Tompkins County