

NC Choices: Local Meat Survey Results

Below is a summary of the results from an on-line survey of local, small-scale meat producers in North Carolina conducted in May, 2012 by NC Choices. The survey was sent to agriculture-related public email listservs throughout the state and was completed by 104 participants.

NC Choices conducted the survey to collect basic information about the production capacity of pork, beef and poultry producers who raise their animals under high-welfare conditions for niche markets. The survey instrument and the results are not intended to be comprehensive in nature, but to provide a snapshot and an overview of selected industry characteristics.

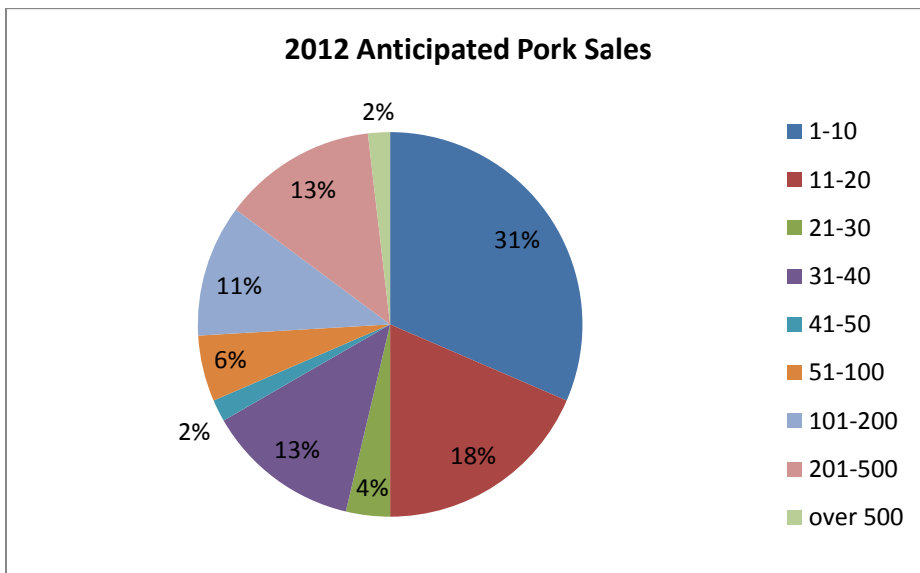
Thanks to all who completed the survey and contributed to our understanding of North Carolina's niche meat production.

What meat animal(s) do you raise? (This survey focused only on the top three animal proteins: beef, pork and chicken.)

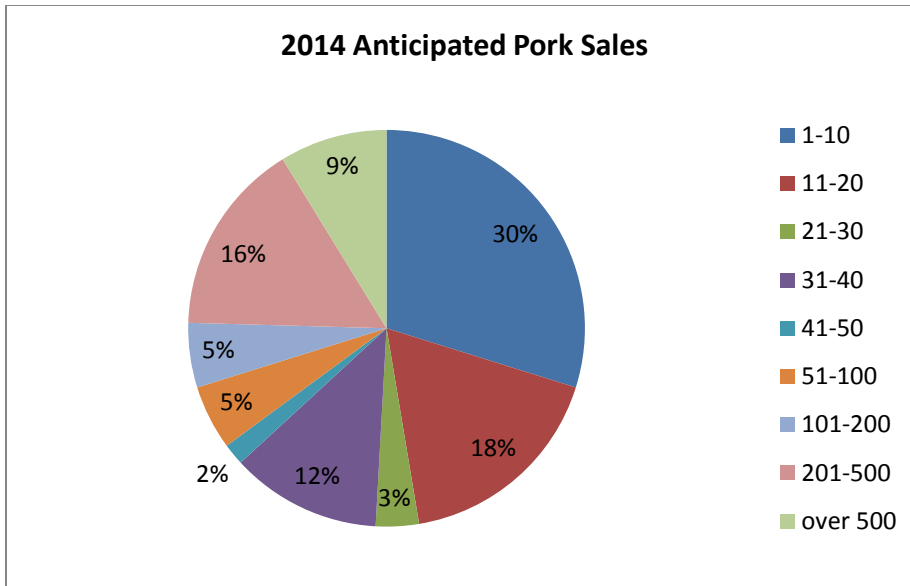
- 23% of respondents raise all three: pork, beef, and poultry
- 3% of respondents raise pork only
- 13% of respondents raise beef only
- 29% of respondents raise poultry only
- 32% raise a combination of two out of the three species

Fifty-five % of total respondents raise more than one species.

How many head of PORK do you expect to sell in 2012?

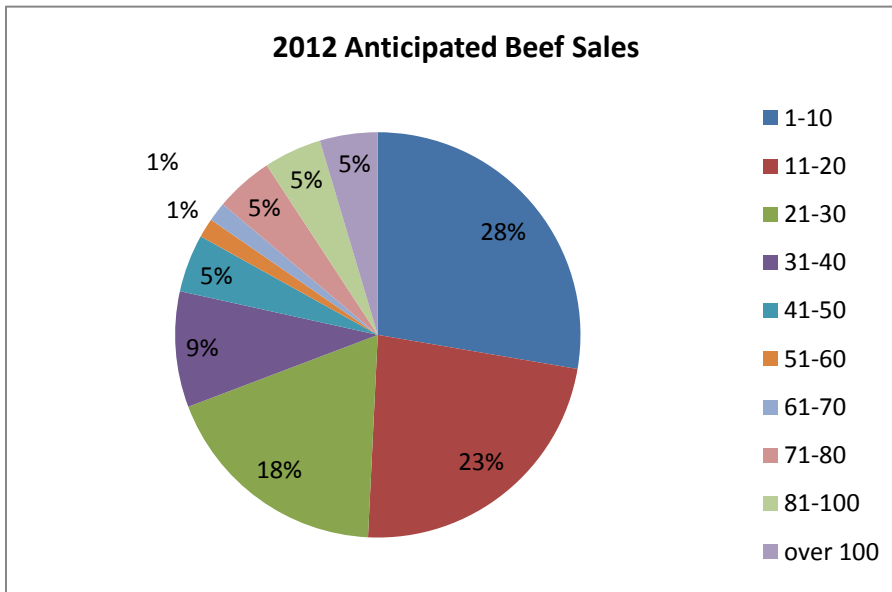


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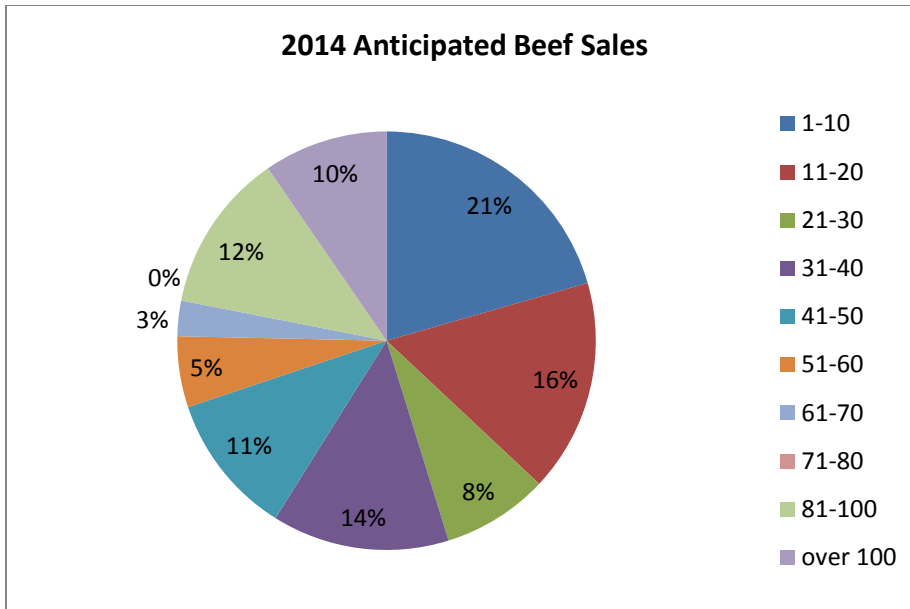


- Of the 62% of respondents who will sell hogs, the majority will sell 100 head or less (74%).
- The total amount of pork respondents expect to sell in 2012 is 5,737 head. The total amount of pork respondents expect to sell in 2014 is 10,008. Compared to total projected sales of pork in 2012, producers expect to increase sales by 74.4% by 2014.
- Based on respondent report, 5% of the very small farms (producing less than 100) will transition to selling 100 head of pork or more by 2014.

How many head of BEEF do you expect to sell in 2012?

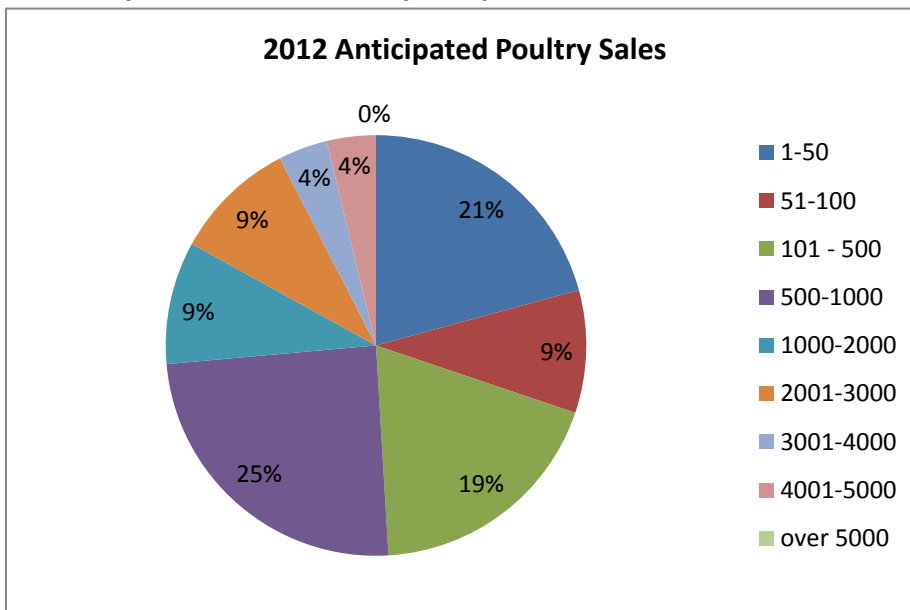


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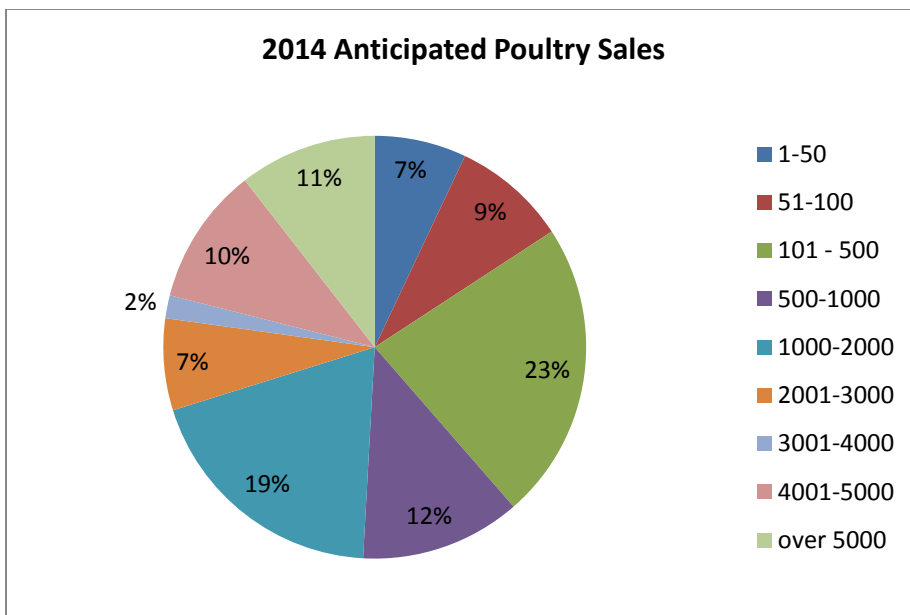


- Of the 72% of respondents who will sell beef, the majority will sell 50 head or less.
- The total amount of beef respondents expect to sell in 2012 is 2,846 head. The total amount of beef respondents expect to sell in 2014 is 6,088. Compared to total projected sales of beef in 2012, producers expect to increase sales by 114% by 2014.
- Based on respondent report, 35% of the very small farms (producing less than 20 head of beef) will transition to processing more than 20 head of beef by 2014 contributing to an overall increase in small and mid-size farms. Small farms producing 31-70 head of beef expect to increase by 106% in production by 2014, and mid-size farms producing 71 to over 100 beef, expect to increase by 47% in production by 2014.

How many head of POULTRY do you expect to sell in 2012?



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- Of the 65% of respondents who will sell poultry, the majority will sell less than 500 head.
- The total amount of poultry respondents expect to sell in 2012 is 59,732 head. The total amount of poultry respondents expect to sell in 2014 is 241,910. Compared to total projected sales of poultry in 2012, producers expect to increase sales by 305% by 2014.
- Based on respondent report, 31% of very small farms (producing less than 1000 poultry) will transition to processing more than 1,000 poultry by 2014 contributing to an overall increase in small and mid-size farms producing 1000 to 5000 poultry. Small and mid-size farms expect to see an 88% increase in production by 2014.

Respondents reported the following barriers* facing the growth of their meat businesses:

- High input costs (i.e., fuel, feeds, etc...) - 79%
- Lack of quality meat processing- value added, smoked, cooked, ready-to-eat products - 71%
- High processing costs – 71%
- Lack of capital (money to invest in livestock, infrastructure or equipment)- 66%
- Distance to animal slaughter - 52%
- Lack of market outlets -- direct-to-consumer -- 41%
- Lack of quality meat processing – raw, fresh cuts -- 41%
- Lack of market outlets -- wholesale -- 40%
- Lack of technical knowledge regarding marketing or carcass utilization -- 38%
- Regulatory environment -- 38%
- Lack of available or qualified labor -- 23%
- Lack of technical knowledge regarding production -- 21%

*ranked as either “somewhat of a challenge” or “a major challenge”

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The following is a sampling of responses to an open-ended question regarding challenges to growth and expansion. Key themes include:

High Processing Costs and Processing Capacity

"Processing is a major issue in our state. The cost to process is high but the cost for any value added products is exponential. Help some young startups get into the business of smoking, curing and sausage making. Too much capital needed for the current regulations."

"Lack of consistency from processors in packaging and cutting. 2) Communication barrier between producer and processor about issue that arise during processing. 3) If the producer and processor aren't on the same page (i.e. NAMP guide offers standards which is fantastic BUT is not present in any processor I work with). 4) Crossing state lines due to having to use multiple processors in multiple states"

Distance to Animal Slaughter

"Every custom processing facility for cattle and hogs is backed up weeks. Driving more than an hour to process poultry is not feasible. With only one poultry processing facility centrally located in the state I would have to drive over 4 hours to get my poultry processed. We don't need one or two big plants for the state. We need at least 8-12 small plants strategically placed across the state to prevent producers and consumers from having to drive hours for delivery and pick up."

High Input Costs

"Since we are still a small farm and only buy a few tons of grain at a time, we have high feed costs, so our prices must reflect this. We have no idea how much grain or where you could buy grain for a better price and what number of animals you'd have to raise to reach this reduction in grain prices."

Lack of Land

"We are somewhat confined by available pasture space. We've considered leasing additional pasture space, however it's hard to find some that is close enough and affordable. We've done the math for our time and gasoline to travel to additional pasture land and anything over 20 minutes away would take away too much time from what we have going on at our farm now."

Restrictive Regulatory Environment

"Understand worries re: food safety, but too many regs for little guys: need on-line blogs for family farmers."

Capital

"Capital and labor are the biggest limits to expanding production. Feed and processing costs are high and getting all of my product back from the processor (which would then go straight to my bottom line) is always a problem."

ADDITIONAL CAPITOL NEEDS: Fencing, livestock, running water lines, on site farm processing, Facility equipment, walk-in cooler, more pasture, more land, etc...

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