Direct Marketing of Lamb to the Consumer

John Peck Mt. Salem Farm

Brenda Reau Reau Suffolks

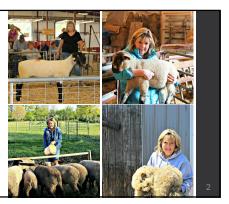
Diane Russell Russell Sheep Company



Brenda Reau

- · Tonight's moderator
- · Raised Suffolk sheep 38 years
- Performance based flock specializing in seedstock and commercial rams
- Direct market whole freezer lambs
- Retired Michigan State University
 Associate Director, Livestock
 Product Development Educator
- · USSA board member
- Facebook.com/ReauSuffolks/





Diane Russell

- · Raised Suffolk sheep 50+ years
- · Direct marketed lamb 11 Years
- 165 ewe flock breeding stock, show stock, direct market lamb
- Partnership with husband Paul and son Jeremy
- Full time grain farmers -Muncie, Indiana
- Former USSA President
- www.russellsheepcompany.com
- Facebook.com/russellsheepcompany





John Peck

- Raised Suffolk sheep 25 years
- · Direct marketing lamb 5 years
- · Raise 50 lambs from breeding stock
- Purchase additional 25 feeder lambs
- Pittstown, New Jersey one hour west of Manhattan
- https://www.facebook.com/Mt-Salem-Farm-219962588023725/







Selling legally

- Learn the regulations for slaughter, processing, and marketing your product
- https://www.fsis.usda.gov/wps/wcm/connect/e6658a9c -915f-4283-beaf-a827b35e906a/Fed-Food-Inspect-Requirements.pdf?MOD=AJPERES



Understanding processing and inspection

- Federal and state inspection
- Does your state have state inspection?
- Inspection?

 https://www.fsis.usda.gov/
 wps/portal/fsis/topics/insp
 ection/state-inspectionprograms/stateinspection-andcooperativeagreements/statesoperating-their-own-mpiprograms



Federal inspection

- Requires plant to have a Grant of Inspection
- Inspectors are present during all slaughter and a portion of the time for processing
- Inspectors inspect facilities, equipment, and meat products
- This type of inspection is required for selling cuts of lamb unless you live in a state that has a state inspection program



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State Inspection

- State inspection program is required to enforce requirements at least equal to the federal requirements
- Meat can be sold within the state but not across state lines
- 27 states have a state inspection program



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Custom exemption

- ${\boldsymbol{\cdot}}$ Slaughter is done for the owner of the animal
- · It cannot be sold to others
- Facility still must comply with regulations and is inspected periodically







Custom exempt plant

- May only be used if you are selling "on the hoof"
- Farmer sells to the customer live. Price can be calculated per pound or a set fee per animal
- Farmer may deliver the lamb to the slaughter plant
- Customer makes arrangements and pays for processing



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Evaluating a processor

- Where is the processor located consider travel time and gas expense
- What type of packaging do they offer?
- Can they do value-added products, specialty grinds?
- Can they do a custom label?
- · How do they set up the schedule?



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Storing and selling lamb legally

- Check with State Department of Agriculture or local health department to see what you need. Regulator varies by state.
- Some require a license/permit to offer meat for sale
- Some require a license/permit for you to store your meat





Labeling

- Product name
- Handling statement Keep Frozen, Keep Refrigerated, Perishable
- USDA mark of inspection/establishment number
- · Net weight (unless weighed on scale in front of consumer)
- · Name, address
- · Safe handling instructions
- Nutritional labeling posted at point of sale if not on package
- · Ingredient statement if more than one ingredient

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Helpful guide on labeling



https://extension.tennessee.edu/publications/Documents

Working with a processor



Schedule early



Bring the number of lambs for your reservation



Be clear in your cutting and wrapping instructions



Pay promptly



How will direct marketing affect your operation?

- Genetics Management Feeding



Meeting demand for product

- Can you produce enough lambs to meet the demand of a year round business?
- Winter born lambs are ready to harvest summer/fall
- How many do you need to harvest and store for the year ahead?
- Can you purchase lambs from other producers to meet your needs?
- Will they be the same carcass quality as your breeding?



Producing a premium product

- Market lambs at ideal age/weight for excellent carcass quality
- Most customers prefer vacuum packed in clear wrap
- · Label accurately
- · Keep it frozen





Selling all parts of the carcass is necessary to be profitable

- Legs and chops sell easily
- Other cuts need creative marketing or fabrication into specialty products

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Specialty products

- Offering specialty products beyond traditional cuts adds more value to the carcass and more variety for your customers
- Sausages, smoked cuts, gyro meat, snack sticks
- Pet products dog bones, liver chews

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Exploring market options

- Farmers' markets
- Restaurants
- · Local meat market or grocery store
- Distributor
- · On-farm store
- Direct to consumer from home





Farmers' Markets

- Great exposure to customers to build your brand
- Is labor intensive with travel, set-up, and sales time
- · Can be indoor or outdoor market
- Invest in a quality, easy-to-put-up tent
- · Being a regular vendor is important
- How will you accept payment checks, credit/debit cards

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Restaurants

- · Require top quality
- Consistency in chop/rack size is important
- Stable supply is important
- Develop a relationship with the chef or owner
- Be prepared for a lot of staff turnover
- Often don't plan very far ahead for ordering
- Stick to privately owned restaurants rather than chains
- restaurants rather than chains

 Encourage them to identify the source farm on their menu



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Transporting your product

- Refrigerated van or truck
- Freezers on trailer with generator
- Coolers
 - ✓ Use high quality coolers
 - √ Keep coolers closed
 - ✓ Handle carefully and sanitize after each use
 - ✓ Always have a thermometer







Marketing tools

- · Attractive signage
- Logo
- Business cards
- Brochure that tells the farm/product story
- · Recipes
- Sample tasting
- Website
- · Social media
- American Lamb Board free materials https://lambresourcecenter.com/pro motional-tools/markets-fairs-festivals/
- ALB Shopping and cooler bags





Complimentary products

- Offer complimentary products of interest to customers
- Diversifying your product line means there is more for the customer to buy
- Seasoning mixes
- Rubs
- Marinades or sauces
- Be sure to follow regulations if you are making the products



Pricing your product

- Know your costs! This requires careful record keeping to include all costs.
- Don't try to compete on price. You have a locally grown product which adds value in the mind of consumers.
- Selling wholesale to restaurants or retailers will require a lower price but should also result in a labor savings.





Finance and record keeping

- Keep excellent records of inventory, income, and expenses
- · What does it cost to produce the product?
- Processing costs really add up
- Transportation costs can add a lot to the total cost of the product
- Vendor space, marketing materials are a cost
- Evaluate what sells and what doesn't can you take the cuts that don't sell well and make them into something else more marketable?

Insurance



LIABILITY INSURANCE IS ESSENTIAL



CHECK WITH SEVERAL



MANY RETAILERS REQUIRE LIABILITY INSURANCE



Communicating with customers

- Educate customers about your product
- Promote your product in a positive way without tearing down others
- Be prepared for all kinds of questions
- Be prepared to deal with animal rights activists
- Listen and learn from your customers what they want



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Do you have enough time?

- Be realistic in how much time you have to commit to the business
- Delivery of the lamb to the processor
- Meat pick-up and handling
- Meat pick-up and nandling
 Market set-up and selling
- Making deliveries
- Communications with processor and customers
- · Record keeping
- Marketing and social media





Questions???





Photo credits

Thank you to all who provided photos for this presentation!

- +American Lamb Board
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