

Niche Meat Processing: Resources for the North Coast

Background

Increasing access to meat processing has been a topic of much discussion in the North Coast region for many years now. In Marin and Sonoma counties, livestock producers began meeting in 2002 at the University of California Cooperative Extension (UCCE) offices in Novato with the goal of increasing their capacity to market meats locally. The natural and organic livestock workgroup formed here surveyed interest in alternative livestock production with local ranchers and livestock managers, established grass fed standards for local producers (prior to USDA), and met with the owner of the local USDA slaughter facility to encourage their continuance (Rancho was for sale at the time). Farther north, in Mendocino County, livestock producers, UCCE, county officials, local non-profits and the Mendocino Economic Development & Financing Corporation (EDFC) have been investigating the potential for a local meat processing facility for the last six years. They have conducted a feasibility study (link below) and are currently investigating the costs to build and operate a meat processing facility.



Many ranchers across the North Coast have developed wholesale and direct markets for their niche meat products. For example in Sonoma and Marin counties; Lunny Ranch, Marin Sun Farms, Barboni Ranch, Chileno Valley Ranch, Clark Summit Farm, Stemple Creek Ranch, Devil's Gulch Ranch, True Grass Farms, Grossi Natural Beef, Fallon Hills Ranch, CK Lamb and others all market their products regionally. In Mendocino County; Magruder Ranch, John Ford Ranch, Mendocino Organics, Owen Family Farm, Inland Ranch Organics, J Bar S Ranch, Bauer Ranch and others have also established regional markets for their products.

Here at UCCE, we receive a number of inquiries for facts and figures from individuals who are interested in building a meat processing facility. This is no small undertaking- the economics of building and operating a small plant are difficult, the meat processing industry is highly complex and there are a wealth of federal, state and local regulations that meat processing facilities must follow. In addition, variation in the supply of finished animals and the demand for locally produced meats creates an ever-changing marketplace.

Helpful resources and links are listed at Grown in Marin website <http://ucanr.edu/nichemeat>.

Grown in Marin (GIM) Meat Factsheets

(1) Livestock Slaughter & Meat Processing Requirements in California Factsheet

The growth in popularity of locally produced foods and pasture-raised meats has greatly increased direct marketing opportunities for livestock producers. While selling meats locally and directly to the consumer appeals to some producers, these sales come with the burden of understanding regulatory requirements for livestock slaughter and meat processing, normally dealt with by large companies under traditional commodity sales. Three scenarios for slaughter and processing of cattle, swine, sheep, and goats, depending on ownership and sales status, are outlined.

(2) Alternative Livestock Production & Marketing: A Survey of Marin and Sonoma Livestock Producers

In order to help the local producers create the specialty meat niche market, UCCE conducted a producer survey in 2005 to determine producer interest, identify barriers, and build marketing channels and distribution networks.

Niche Meat Processor Assistance Network (NMPAN)

This is an outstanding eXtension “go to” website about small-scale meat and poultry processing, and includes most of the studies done on this topic in the country and in California. NMPAN is a national network and information source for small meat and poultry processors and the farmers and buyers who depend on them. The network includes meat processors, farmers, cooperatives and marketing partnerships, universities, public agencies, and non-profits. It was created by Lauren Gwin, at Oregon State University, Arion Thiboumery, of Iowa State University, and Lorentz Meats (MN).

Access information and join the network at: www.nichemeatprocessing.org

NMPAN¹ has conducted *many webinars*, all of which are archived (recordings and presentation slides) at Four of particular relevance to this topic are: Understanding the Processor’s Language, Working Effectively with Your Processor, To Build or Not to Build & The Business of Meat Processing: Planning and Profitability (includes link to NMPAN’s Small Meat Processors Business Planning Guide).

CSU Chico Grass-fed Beef Informational website

This website is a collaboration between University of California Cooperative Extension Service and California State University, Chico, for the purposes of providing scientific information on grass-fed beef.

Meat Processing Feasibility Studies

Many have been completed around the country that you will find on the NMPAN website.

The ***Meat Industry Capacity and Feasibility Study of the North Coast Region of California*** was completed by Shermain Hardesty, University of California Small Farm Program, John Harper, from UC Cooperative Extension, Mendocino, and The Facilities Group in 2009. It was funded with a grant from US Department of Commerce Economic Development Administration to Mendocino County Economic Development & Financing Corporation.

Livestock Producer Needs Assessments

Another important aspect of the local meat trade is niche versus conventional livestock meat production. Several needs assessments were conducted in Marin, Sonoma, and Northern California and are listed below.

(1) Needs assessment for small scale livestock harvesting and processing facilities in Northern California

Many livestock producers in Northern California are increasingly exploring niche markets for their meat products. A small-scale USDA- and State-inspected meat harvesting and processing facility would facilitate entry into these new markets for many producers. To identify the scale and seasonal needs producers have for such a facility, researchers surveyed 497 livestock ranchers. The survey asked producers to rank their current satisfaction with existing processing facilities, their interest in using a small-scale processing facility, their total and seasonal needs related to meat processing, and the distance they are willing to travel to use a specialized meat processing plant.

(2) Determining Demand for USDA-Inspected Beef Slaughter in an 18-County Region of California

The purpose of this survey was to estimate demand for USDA-inspected beef slaughter and processing services in the greater Sacramento region. USDA inspection is required for the legal sale of meat. In response to growing demand for small-scale USDA-inspected beef slaughter and processing services, existing facilities are considering upgrades and new facilities are being constructed. Critical information was gathered from livestock producers to estimate demand for these services and plan infrastructure. Both

¹ Please note that because NMPAN is part of eXtension, an online nexus for the combined land grant university system, these web pages will have the UC logo.

surveys were prepared by Morgan Doran, UCCE Solano Director, and livestock and natural resources advisor in 2011.

(3) Agricultural Value Chains and Economic Impacts: Dairy, Grass-Fed Beef and Grains in the North Bay

This report looks at the way North Bay farmers build value in their products for dairy, grass-fed beef, and grain operations in the North Bay. It was commissioned by Stephanie Larson, UCCE Sonoma Director, and Range Management Advisor for Sonoma and Marin Counties, in partnership with various agencies around the North Bay. Dr. Robert Eyler, a professor at Sonoma State University School of Business and Economics authored the study.

Local Meat Processing Facilities

USDA released a *preliminary study* in 2010 revealing existing gaps in regional food systems regarding the availability of slaughter facilities to small meat and poultry producers. The study by USDA's Food Safety and Inspection Service (FSIS) is a first attempt to identify areas in the U.S. where small livestock and poultry producers are concentrated but may not have access to a nearby slaughter facility. The "gap analysis" approach of these maps is misleading. The presence of livestock is not indicative of demand for local, fee-for-service processing: most farmers sell livestock, not meat. That is, they sell raw materials to a company further down the supply chain (a feedlot, a processor, a branded meat company). Unless farmers are finishing livestock and marketing the meat themselves, they do not need direct access to a processor.

North Bay USDA or CDEFA licensed slaughter facilities

You'll find lists of approved facilities in California on the *UCCE Mendocino County website*. John Harper is the livestock advisor there, and his web page is loaded with great information.

Selling Meat and Meat Products, UC ANR Publication 8146

Federal, state, or local agency inspection is mandatory for any meat or meat product before it can be sold. This 2004 UC publication explains various product categories and explains which type of inspection each one requires.

Poultry and Rabbits

Slaughter and processing regulations for poultry, and rabbits are different from those for other livestock. See the CDEFA Meat, Poultry, and Egg Safety Branch website for more details.

The listing that follows, of USDA inspected, CDEFA custom exempt, and state licensed, and inspected plants that service local and regional livestock producers, is incomplete and subject to change. For a more complete list of slaughter and/or processing plants in California see the *Small Farm Program map*. You can also check the USDA *Food Safety & Inspection Service (FSIS) website* for a complete national listing that is updated monthly.

For a basic explanation of the differences between these plants, please see the *Livestock Slaughter & Meat Processing Requirements in California Factsheet*.

Local USDA Inspected Slaughter Plants:

Rancho Veal, Petaluma - beef and pork; Panizzera Meat Company, Occidental - sheep and goat.

Local USDA inspected meat processing (post slaughter) facilities:

Golden Gate Meats North, Santa Rosa.

Regional USDA Inspected Slaughter Plants:

Palace Meat Co., Fresno – swine; Beef Packers, Fresno – beef & dairy; Johansen's Quality Meat Co., Orland – swine; Olson Meat, Orland Superior Farms, Dixon– sheep & goats, and Yosemite Meat Co., Modesto - swine

(organic), J&R Natural Meat Co, Paso Robles². Please note that some of these also provide post slaughter processing services.

State Inspected (post slaughter) Processing (cut and wrap) Facilities in Sonoma County:

These facilities can only be used by individuals who want their animals (including purchases of live animals) processed for personal use, and not for sale. Bud's Custom Meats, Penngrove; Ibleto Meats, Cotati; Martindale, Santa Rosa; Willowside Meats, Santa Rosa.

Mobile Harvest Units

The idea of having USDA inspected Mobile Harvest Units (MHU) in California has been very popular over the past ten years, but unfortunately MHUs are particularly challenged in California because the offal and wastewater can not be composted on the farm. Integration of the MHU into a processing business is an important element to increasing profitability. Please see the NMPAN site and Central Coast MHU site for more.



Regional Resources

Mendocino County: In addition to John Harper, the UCCE livestock advisor for the region, Kathryn Quanbeck is the project coordinator for the Mendocino EDFC's Meat Processing Project. The Meat Processing Project is an on-going effort in Mendocino County to build a USDA inspected, multi-species meat processing facility. They are currently researching the permitting requirements and costs that will inform their decision on facility size and location. Kathryn can be reached at: kaquanbeck@gmail.com

Sonoma County: Stephanie Larson set up and ran the Sonoma County Meat Buying Club from 2009 to 2011. This successful model connected producers with Sonoma County consumers and helped expand markets. Stephanie also developed: ***Sample Costs for a Cow-Calf/Grass-Fed Operation, 200-head Cowherd with 30 Grass-Fed Cattle in Marin and Sonoma Counties.***

USDA standards and definitions for labeling

See the *USDA website* for various definitions on labeling. The *CSU Chico website* also has resources on this topic.

² J&R currently operates the only USDA inspected Mobile Harvest Unit (MHU) in California. The MHU is a slaughterhouse on wheels that allows the operator to go out to local ranches, harvest livestock and take them to their processing plant in Paso Robles. A USDA inspector, who also works in the processing plant, accompanies the unit.