Profitable Meat Marketing
Part II

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
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.

In fact, why expect a different level of profit in each channel?
Using the Price Calculator
1. Identify income & profit goals
2. Understand production costs.
3. Develop a price that works for each channel.

Base Price & Premiums
Calculator Prep 1

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

Calculator Prep 2

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

<table>
<thead>
<tr>
<th>Channel</th>
<th>Estimated labor/head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmers' Market</td>
<td>40</td>
</tr>
<tr>
<td>Restaurants</td>
<td>20</td>
</tr>
<tr>
<td>Freezer Trade</td>
<td>10</td>
</tr>
<tr>
<td>Commodity/Small Brand</td>
<td>3</td>
</tr>
</tbody>
</table>

Go to Calculator

http://calculator.meatsuite.com/
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?"

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.

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
Resources
Cornell Smart Marketing Series
https://dyson.cornell.edu/outreach/smart-marketing-newsletter.html

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