

Third Meeting of the New Hampshire Meat Producer Working Group April 17, 2017

Attendees: 6

Guest: Gail McWilliam Jellie, NH Department of Agriculture, Markets, and Food (NHDAMF or the Department)

This summary reflects a range of views expressed on the issues as discussed during meetings of the New Hampshire Meat Producer Working Group (NHMPWG), comprised of meat producers throughout the state. They do not reflect the formal or public position of any one group of people, organization or coalition. All errors and omissions are the sole responsibility of Environmental Mediation Center (EMC).

NHDAMF Marketing Efforts/Gail McWilliam Jellie

A key priority discussed in both the focus groups and with the working group is marketing. Gail McWilliam Jellie from the NHDAMF was invited to discuss marketing with the working group. To begin the conversation Gail talked about different marketing efforts for all agricultural sectors by the NHDAMF.

These efforts include use of social media, brochures promoting producers in different agricultural sectors such as a directory of livestock producers, advertising on TV (9 different ads one is dedicated to livestock) and radio, and partnering with the NH Department of Tourism to promote agritourism. Gail noted that the NHDAMF has limited funding and also seeks out grant opportunities to fund additional work.

The only dedicated agricultural funds the State can use for marketing is for crops. Gail said there are some matching funds available that allow NHDAMF to market more broadly to include all agricultural products. To date, there has not been a focus specifically on meat producers. Over the last two years the Department also sponsored a matchmaking program that brings producers together with large commercial buyers such as restaurants, hospitals, grocery stores, and coops).

Gail stated that there was an attempt by the Farm Bureau to form a beef producer group in the past but it did not work out. Gail mentioned this current working group has a broader range of meat producers than the past one.

Recommendations from NHDAMF

Aggregating product may be an effective strategy to sell to larger commercial buyers. Even if the aggregated product is not sufficient quantity to sell to the largest commercial buyers, producers could sell to small and medium size institutions if they had the right quality, weights, and cuts.

Branding product: both farm branding & if applicable an aggregate brand. Branding is key to selling products for a premium price.

Working Group Discussion with Gail

Current marketing strategies conducted by individual working group members

- In 2009 when movies like Food Inc and Fresh came out, it was a great time to market buying local. The farm did well with direct sales. In the last 3 years, Whole Foods has moved into New Hampshire. There are other companies that are direct marketing to customers. We use Facebook and a website to market. We are concerned that it is difficult to expand beyond our current market.
- Mainly sell wholesale to the local coop which does well. The local farmers market is not doing well. Marketing exclusively through Facebook and Instagram.
- Small farm store on the farm. Can't sell quarters or halves. What do I have to offer? I have a frozen chunk of meat in my freezer – what is cool about it? How do I market it?
- Used to sell at a number of farmers markets, now only one. I have a website and Facebook page; don't change it much. I am listed in the NHDAMF Livestock Directory and in the farm map.

Other Marketing Strategies

A member of the group asked about the Made in NH label. Membership cost \$75/year and they advertise on behalf of the label and provide an avenue to get in front of customers. One member is part of NH Made and says that it has been fairly good.

A member of the group asked if the NHDAMF would look into getting help marketing NH products in the nearby metro areas. Another idea is to have a "ski 93" NH meat cook off. Skiers at ski areas along Interstate 93 would be introduced to and sample NH produced meat.

USDA has a program called "Know your farmer", it would be good to find a way to have a NH brand meat product tap into this marketing.

Miscellaneous Issues

Economy of Scale, Cooperatives, and Commodity Products

One member of the group stated that due to our small scale operations, the economy of scale results in a higher cost of production. The producer stated that all states have more beef cattle than New Hampshire, with the exception of Rhode Island and Alaska. As a result, we need to sell our meat as a niche product.

Another group member shared that he and other members of this group ask themselves, “What do we need to make our own farm better?” A common conclusion to this question is “we do not have a loud enough voice”. There are bottlenecks in such areas as processing and marketing. “How do we expand? Can we create a market for the products that we produce? These products are going to cost a premium to produce them, will someone buy them?”

Some working group members thought there is still room to grow the higher price niche meat market. Many NH meat producers feel that they could increase their production. Aggregating products would allow producers to have enough product to meet the demand of large buyers. Another producer questioned whether there are any negatives to aggregating? Gail responded that efforts to aggregate products failed in the past due to people not agreeing about how to run the cooperative. She said, you need a paid staff person at the helm running the cooperative and let the meat producers stick to farming.

One member asked if there are successful examples of NH farming cooperatives that are already in existence. Gail mentioned the North Country Farmer’s Cooperative. Providing consistent products can be challenging and all coop members would have to meet coop standards.

State Inspection Program

New Hampshire has not provided funding for a state meat inspection program. Meat processed at a state inspected facility could only be sold within the state. Many small “backyard farmers” utilize USDA inspected facilities. One member commented that a state inspected facility would alleviate some of the surplus demand during peak demand periods at USDA inspected facilities and make it easier for commercial meat producers to schedule appointments for meat that may be sold out of state.

Declining Market for Direct Sales

One member commented that direct sales to consumers have declined across all sectors in NH Ag. As a result, the member suggested that producers need to sell out of state, including direct sales to consumers in the greater Boston and NYC area. Another member commented that the market has grown significantly over the last ten years but that supply has also grown to meet that demand. The demand does not appear to be growing anymore.

Fresh Meat Sales

Although there is a demand for fresh (not previously frozen) meat, there is a 2 week window to sell all the product. Producers would need to get their products on the shelf of a commercial store to sell fresh product. Before producers grow large, they need the security of knowing they can move the products.

Funding Joint Marketing Campaign

The working group members all agreed that a joint marketing campaign could help expand marketing opportunities and sales. A member of the group stated that unfortunately, NHDAMF does not have funding available for this purpose. One member wondered whether a check off program would work. Funding from the check off program could pay for a joint marketing campaign.

A subsequent e-mail response from another member provided another perspective with details about his participation in other check off programs. According to this member, many farmers have had bad experiences with check off programs including dairy and beef. For example, this farmer pays \$1 for every beef cull cow and after sending in thousands of dollars over the years has never seen a beef promotion ad from the check off.

Need for Large Animal Livestock Expert

One producer stated that UNH Extension needs to have a large animal livestock expert and asked “what pull does NHDAMF have in promoting that position with UNH Ext?” Gail replied, UNH Ext. has a good working relationship with the Commissioner and that technical assistance to meat producers from UNH Ext could help increase local meat production. The working group agreed that large animal livestock expertise could both help new farmers begin their operations and provide technical expertise to existing farmers.

Next Steps/Additional Questions

The working group members would like to investigate selling to small, medium, and large commercial meat buyers. Gail will contact several commercial meat buyers and get specific information on the volume of meat necessary to sell to their stores and restaurants and the price these buyers are willing to pay. Gail will then report back to the group with her findings.

At the March 29th meeting the discussion centered on cooperative models. The group decided it wanted to consult with Lynda Brushett, from the Cooperative Development Institute, to learn more about whether establishing a cooperative would be feasible and effective for NH Meat Producers. Lynda Brushett will be a guest at our meeting scheduled for May 4th.

How to generate funding for a joint marketing campaign?

If the working group decides to form a cooperative, should we conduct a feasibility study, and if so, where will the funding come from? It is essential to know more about the market such as the potential demand and sales avenues.

