

Virginia Cooperative Extension

A partnership of Virginia Tech and Virginia State University



July 9, 2014

To: Central Virginia Livestock Producers

From: Albemarle County Economic Development staff, the Charlottesville Regional Chamber of Commerce, and Virginia Cooperative Extension

RE: Livestock Survey and Roundtable Summary

From late 2012 through early 2014 county staff and regional agriculture industry partners held four roundtable meetings with stakeholders to discuss issues affecting livestock operations. The industry discussions centered on livestock processing needs and existing local market conditions. Sue Ellen Johnson (then PEC's Director of Agriculture) shared the latest research on the scale and economics of a local processing facility, and what would be needed to achieve sustainable operations without ongoing subsidy.

All four meetings were represented a total of 30 individual farms participating in one or more of the roundtables. State officials from VA Tech and Virginia Dept of Agriculture and Consumer services attended or presented at three of the sessions.

Policy

In a related issue supporting livestock agriculture, as part of on-going policy work under the County's Economic Vitality Action Plan, Albemarle County revised its zoning ordinance to allow small-scale livestock processing in certain commercial districts and applied performance standards to mitigate impacts from operations. In mid-March 2014 a roundtable discussion was held with representatives from the Virginia Dept of Agriculture and Consumer Services (VDACS) to discuss operation requirements for mobile processing.

Livestock Survey Results

With the goal of clarifying the issues affecting the scale and profitability of livestock operations in our region, the Albemarle County Economic Development staff, the Charlottesville Regional Chamber of Commerce, and Virginia Cooperative Extension created a survey to gather input from area livestock producers. The Survey results BELOW from 21 participants are summarized below. The responses came from farms of 5 animals to 474 animals.

Questions 1 through 3 and #7 indicated the majority of producers would like to expand operations. However, the most commonly cited constraints were economical access to processing and assistance with marketing.

1) Can you sell your entire product? *85% answered "Yes," 15% answered "No"*

1a. If not, what products do you have trouble selling? *The two respondents indicated "grass fed beef" and "organs & bones"*

- 2) Could you sell more product? *79% answered "Yes," and 21% "No"*
- 3) Are you interested in expanding? *67% answered "Yes," 33% are not interested in expanding*
 3a. If you are interested in expansion, by how many head? *The 14 who answered offer a range from 5 to 400, with an average of 107 head.*
- 4) Is your livestock venture currently profitable? *52 % answered Yes; 33% No; 14% were "Not sure"*
- 5). How many head do you currently manage on your farm? *Answers ranged from 10 to 474, with an average of 134 head.*
 5a. How many breeding females? *Answers range from 5 to 277, with an average of 75*
 5b. How many post weaning being fed or finished? *Answers range from 0 to 250, average of 56*
 5c. How many acres of pasture? *Answer range from 800 acres to 6 acres, with an average of 208*
- 6) What type of livestock do you raise? *Of the 21 respondents, 81% raise cattle;*
 6a) How many animals of each type are being processed for meat? *The vast majority indicated cattle processing totaling approximately 285 animals per among the 21 survey respondents, but sheep, pigs, goats and chickens are being processed from Central Virginia farmers.*
 6b) What livestock/meat products do you sell? *About 33% of survey respondents sell at Auction. The remaining respondents processed for consumer or restaurant purchase. About half of those, sold wholes, halves and quarters, the remaining respondents sold all (to include cuts and ground).*
- 7) Can you sell your all of different products? *All who responded could sell all their products, except two who had difficulty selling liver and tongue, and one that had difficulty selling free range eggs.*
- 8) What are the main constraints to your livestock business? (Respondents could indicated multiple answers)
"Processing" was equal to "Marketing" as the most cited constraint to business at 47%. Feed & Forage followed at 37%, following by Scale (26%) and Cattle Management (21%).
- 9) Where do you process? *Reflecting the different farm location the responses listed a number of different operations, including Fauquier's Finest, T&E Meats, Schrocks, and a location in Maryland.*
- 10) What's the travel time? *14 responded. Of those, 71% or (10 respondents) travel between 1 & 2 hrs; 21% travel less than 1 hour; 7 % (1 respondent) travels less than 30 minutes.*
- 11) On average, what times of year/How many trips per year? *The trips occurred year-round for some respondents. Others process in summer and fall. Based on the data provided in this survey, a more centrally located facility would require the farmers to coordinate for a more evenly distributed processing schedule.*
- 12) On average, how many animals do you process/trip? *13 responded with answers ranging from 2 to 40, the average was 7 animals.*
- 13) Where do you typically sell? *18 responded, some indicated multiples selling channels. "On-Site farm sales" are the most common channel, followed by "Auction" and "Food Aggregator."*

<i>Farm Market</i>	<i>Food Aggregator</i>	<i>Specialty Store</i>	<i>Farm sales</i>	<i>Farm Stand</i>	<i>Restaurant</i>	<i>Auction</i>
<i>3</i>	<i>4</i>	<i>3</i>	<i>12</i>	<i>2</i>	<i>4</i>	<i>7</i>

- 14) Is your farm selling finished product (meat) to consumers or restaurants or are you selling feeder stock to other farmers? *67% sell to Consumers/Restaurants, 28% sell Feeder stock, and 6% sell at both levels.*

The overall conclusion of the roundtables and surveys is that there is significant potential and demand from small scale livestock producers for small scale livestock processing facility in the Albemarle County (or immediately adjacent counties). A mobile livestock processing unit had the greatest interest on the part of producers because it would allow marketing at an even higher premium to outlets and consumers who value animal welfare. It also has lower initial investment. Although farm interest in a mobile processing facility is considerable and both county zoning (see below) and state regulations are supportive, a successful venture will require an entrepreneurial entity to step forward as the operator/investor of a processing facility. The opportunity to operate a profitable local or larger scale stationary facility (that would service small scale producers one day/week is real and should be publicized to the private sector.

This input will inform future discussion, policy and potentially inspire livestock processing entrepreneurship in the Central Virginia area.