

Agricultural  
Marketing  
Service

July 2020



# Take an Expanded View

Working up and down the meat supply chain and on a regional scale improves the success rate and positive impacts of meat-related projects.

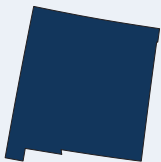
## INTRODUCTION

A holistic approach, where all links in the supply chain work together, is essential to getting meat and poultry to market. For example, a project working to develop new markets will not be successful if it does not ensure sufficient supply and demand, and available skilled processors to support a new market. Similarly, a producer-driven project to build a new meat processing facility will fail unless they have a high-quality product and buyers are willing to pay a price that covers costs above conventional meat processing prices. All of these links need attention.

Supply chain projects are complicated, in part because they involve many partners. In addition, the supply chains for local and regional meat and poultry are often infused with values and principles related to environmental sustainability, humane livestock handling, equitable sharing of risks and benefits among businesses in the chain, community benefits, and similar. These “values-based supply chains” (Stevenson & Pirog 2008) can have additional complexity, related to preserving and communicating these values along the full chain. However, this values-based approach can produce durable and transformational results.

The following AMS-funded projects in New Mexico and Vermont effectively integrated all aspects of the supply chain.

### New Mexico: “A Value Chain Approach to Developing a Value-Added Beef Branding Program in New Mexico” (FSMIP-2009)



This project, motivated by unmet buyer demand for local beef and a desire to improve returns to beef producers, set out to build two new value chains. The project team

included producers, processors, distributors, and a retail food cooperative in and around New Mexico, which grounded them in the actual challenges and opportunities for each link in the chain. Although there is a considerable amount of beef production in the state, there is little access to that beef locally because of disconnected supply chains. Ultimately, the project team learned that processing was not actually the weak link in the chain and that rancher involvement in quality management and production planning was necessary for them to earn premiums in the new markets.

### Vermont: “Scaling up New England’s Value-Added Meat Industry” (FSMIP-2012)



Due to livestock producer concerns that the region lacked value-added processing options, project leaders took a supply chain approach and recruited processors for the project team at the design stage.

They drew on shared expertise and experiences to set project goals and planning activities, ultimately avoiding a project based on faulty assumptions with unrealistic expectations. Instead they: 1) focused on a market analysis of value-added meat products; 2) hosted workshops where producers and processors learned from and about each other; 3) provided skills training to processors and; 4) developed point of sale materials for wholesale and institutional buyers.

The second aspect of a holistic approach is to plan, analyze, and operate at a regional scale, especially for projects involving new infrastructure. The necessary supply chain infrastructure for meat and poultry products is typically very complex and expensive. Steady, consistent throughput, which

is difficult given the seasonality of sustainable production systems, is necessary to generate enough revenue to pay for the skilled workers and the specialized equipment required. Financial viability is more likely achieved at a regional scale, for both livestock sourcing and marketing the meat.

## **CONTACT INFORMATION**

For specific information about these grant projects, please contact [AMSGrants@usda.gov](mailto:AMSGrants@usda.gov).

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## **ACTIONS YOU CAN TAKE WHEN STARTING A PROJECT**

- Understand the full supply chain constraints and potential impacts of a project. Address at least two or more different aspects and links of a meat supply chain, such as production, livestock shipping, processing, distribution, or marketing.
- Research existing producers, processors, and others in your supply chain. Look at relationships up and down the supply chain, get to know the key players and make them part of the work when appropriate.
- Consider moving from a hyper-local scale to an expanded regional scale to improve resiliency and overall sustainability of a project.

This fact sheet was created in fulfillment of a cooperative research agreement between the Marketing Services Division of the Agricultural Marketing Service of the United States Department of Agriculture (USDA AMS) and Oregon State University's Niche Meat Processor Assistance Network (NMPAN).

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