Vermont Meat Processing Inventory—2010 Findings

Sam Fuller, NOFA Vermont
NESAWG Processing Infrastructure Work Group
Acknowledgments

This report is a product of the Northeast Sustainable Agriculture Working Group's Processing Infrastructure Work Group. Throughout 2010, this team identified key questions of regional significance in relation to processing infrastructure. These questions informed both the research included in this report, and the structure of the report itself.

The document reflects collaboration on many levels. The author wishes to thank the Vermont Sustainable Jobs Fund for integrating this work into the Farm to Plate strategic planning process for the state of Vermont’s food system. A more in-depth analysis of these topics can be found in Farm to Plate Appendix E: Meeting the Demand: Strategies for Expanding Vermont Livestock Production and Meat Processing. Louise Calderwood of Everything Agriculture prepared that document.

The Northeast Organic Farming Association’s Vermont Chapter (NOFA VT) is at the heart of the work product that follows here. Sam Fuller, NOFA VT’s Dairy and Livestock coordinator, is the primary author. Currently, Sam is working in collaboration with the Vermont Agency of Agriculture, Food and Markets and the University of Vermont amongst others—in cultivating coherence across Vermont’s livestock and meat value chain.

The NESAWG Processing Infrastructure Work Group is building on these findings with its 2011 Workplan. This interstate team will be focusing on regulatory literacy and workforce development in the meat and livestock sector. For more information on the Work Group, see: www.nefood.org/group/regional_processing
Vermont Meat Processing Inventory Overview
Sam Fuller
NOFA Vermont
2010 Findings

This report reflects 2010 efforts at two scales: the Northeast region and the state of Vermont. Regionally, it represents outcomes of the Processing Infrastructure Work Group that was formed in November 2009 at the It Takes a Region Conference, hosted by the Northeast Sustainable Agriculture Working Group (NESAWG). Over the course of the past year, Work Group member NOFA Vermont has played a leadership role in state-level food systems development research and planning focused on meat production and processing. During its initial meeting, the NESAWG Processing Infrastructure Work Group decided to target the theme of appropriately scaled, decentralized processing infrastructure in its 2010 workplan. Multiple state-level projects were initiated to complete inventorying, outreach, and analysis. In Vermont that work centered on meat, a sector whose indicators suggest market potential. In light of the variation in processing infrastructure issues across the Northeast region, the Work Group decided that a basic inventory of VT meat processing stakeholders, establishments, issues, and previous research would help guide future work to develop a more vibrant and viable meat processing system in the region. Meat processing refers to the slaughter and other processing including cutting, packing and additional value-added production. This report provides an overview of that inventory.

Fig. 1 Value-chain: Issues and factors effecting vibrancy and viability of the system
**Inventory Overview**

The initial phase of this work was to create a basic overview of stakeholders, current issues, significant data points, and previous research. This overview was intended to serve as a basis for further research and surveying, along with providing a context for developing relevant projects and attaining funding. This phase was completed primarily through over 50 stakeholder interviews. These interviews were conducted in parallel with other work being done in the state, most prominently collaborating with the [Farm to Plate Initiative](#). *Farm to Plate* is delivering a 10-year strategic plan for VT’s farm and food sector in January 2011. This collaboration led to participation in focus groups and stakeholder meetings around the state. These groups did SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis, discussed issues in the production and processing of meat, and provided input on strategic goals and strategies that would guide the Vermont Food System into the future.

**Farm to Plate Initiative**

The Farm to Plate (F2P) Initiative, approved during the 2009 Vermont legislative session, directs the Vermont Sustainable Jobs Fund—in consultation with the Sustainable Agriculture Council and other stakeholders—to develop a 10-year strategic plan to strengthen Vermont's farm and food sector. The primary purpose of the plan is to set goals and strategies to strengthen this sector, thereby increasing access to healthy, affordable food for all Vermonters, supporting existing and new agricultural enterprises, and creating jobs. The plan has been developed through research, stakeholder meetings, focus groups, and other media. One key F2P document is an in-depth section of the plan, entitled *Appendix E- Meeting the Demand: Strategies for expanding Vermont Livestock Production and Meat Processing*. This Appendix integrated the findings from the NESAWG Processing Infrastructure Work Group’s inventory.

**Research**

Over the past 10 years there have been numerous studies on the meat food system in Vermont. Though each of these studies has its own scope, depth, and perspective—collectively they contribute to a fuller understanding of the current context of meat production, processing, and consumption in Vermont. Below is a listing of some of the major works contributing to this understanding:
## Studies Related to Meat Slaughter and Processing in VT

<table>
<thead>
<tr>
<th>Title</th>
<th>Concentration</th>
<th>Date</th>
<th>Author (See endnotes for acronym key)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meeting the Demand: Strategies for expanding Vermont Livestock Production and Meat Processing (Appendix E- F2P Initiative)</td>
<td>System Analysis</td>
<td>9/8/2010</td>
<td>Louise Calderwood (Farm2Plate Initiative)</td>
</tr>
<tr>
<td>Local Meats in Vermont Schools: Food Service Survey and Pilot Project Results</td>
<td>Survey (Price, Source), Economic Impact</td>
<td>7/1/2009</td>
<td>Benjamin King (UVM, CDAE)</td>
</tr>
<tr>
<td>Solutions to Encourage Local Meat Production and Processing in Vermont: A Senior Applied Research Project</td>
<td>System Assessment</td>
<td>2009</td>
<td>Angela Revallo (Sterling College)</td>
</tr>
<tr>
<td>Local Meat Production and Processing in Vermont: An Analysis of Barriers and Opportunities</td>
<td>System Assessment</td>
<td>Dec-07</td>
<td>Rachel Schattman (UVM, CDAE)</td>
</tr>
<tr>
<td>Vermont Meat Production: 2007 and Beyond</td>
<td>Consumption, Production, Capacity</td>
<td>2/6/2007</td>
<td>Sam Comstock (UVM Extension)</td>
</tr>
<tr>
<td>Vermont Ground Beef Marketing Study</td>
<td>Capacity, CoP, Demand</td>
<td>2/28/2006</td>
<td>Rose Wilson</td>
</tr>
</tbody>
</table>

---

1 University of Vermont  
2 University of Vermont department of Community Development and Applied Economics  
3 SJH and Company, consultants serving the renewable fuels and agri-food industries
Vermont Inventory 2010

Major categories of stakeholders included in this interview process:

- **Meat Producers**— (individuals and businesses raising animals) key factors that shape their relationship to the system are **production model, market outlet, and scale**.
- **Meat Processors**— (individuals and businesses slaughtering, cutting, or adding value) key factors that shape their relationship to the system are **licensing, scale, and location**.
- **Meat Consumers**— (individuals or businesses purchasing meat) key factors that shape their relationship to the system are **access, values, and cost**.
- **Other groups** that are relevant to the system are service providers, government agencies, and community members.

Below is a list of stakeholder categories targeted for the initial inventory. Processors (slaughter, cutting or other) are broken out into more defined sub-groups by regulatory classification. Also noted is the number of contacts made in each category during the initial inventory.

**Vermont Meat Processing Infrastructure Inventory**

**Infrastructure- (# Existing)**

*Commercial Slaughter/Meat (7), 1 known pending 7 contacts*
- USDA Inspected Slaughter/Meat (6)
- State Inspected Slaughter/Meat (1)

*Commercial Slaughter/Poultry (4) 2 contacts*
- USDA Inspected Slaughter/Poultry (2)
- State Inspected Slaughter/Poultry (2), 1 Poultry MSU\(^4\) that is state inspected

*Commercial Packing Plant (26) 8 contacts (6 overlapping with slaughter)*
- Commercial Processing/Meat
- Commercial Processing/Poultry

*Custom Slaughter/Meat (1) 1 contact*
*Custom Slaughter/Poultry (1) 1 contact*

*Custom Packing Plant (26) 1 known pending 5 contacts*
- Custom Processing/Meat
- Custom Processing/Poultry

*Other Licensed Meat Establishments:*
- Wholesale Meat or Poultry Distributor (110)
- Broker, Meat or Poultry Products (2)
- Public Warehouseman (1) 1 contact

\(^4\) Mobile Slaughter Unit
Animal Food Manufacturer (2) 1 contact
4-D Animal Handler (1)
Renderer (1)

B Stores/Processing- Licensed Retail Meat Outlets (465) 5 contacts
D Store/Home Freezer- Licensed Retail Meat Outlets (53) 3 contacts

Restaurants- 2 contact

Un-inspected
Itinerant slaughterers (5 meat, 2 poultry known) 3 contact
Farm/Home Processing and storage

Infrastructure- Un-utilized establishments (1 known) 1 contact

Infrastructure- Potential establishments (3 known) 2 contacts

Farmers 15 contacts
Consumers 6 contacts
Ag. Service 11 contacts

Themes

In interviews with Vermont’s commercial slaughter and meat processing businesses, numerous issues were mentioned by owners or plant managers. Issues that were mentioned by multiple businesses include:

- Access to consistent quality labor
- Cost of utilities
- Low profit margins
- Limited processing and storage capacity during high season
- Access to capital (for improvements and expansion)
- Insurance/Workers’ Compensation
- Seasonal fluctuation of business

Other issues mentioned: specialized equipment, wastewater permitting, time, and regulatory burden.

In conversations with farmers, there were many who had good relationships with their processor (both slaughter and/or processing) however there were numerous concerns that were mentioned, including:

- Quality of customer service
- Quality of cutting and packaging
- Cost of processing
- Animal handling and welfare
- Proximity and transportation
- Control and oversight of the process
- Value-added options (pasteurizing, patty maker, artisanal processing, etc.)
Future Opportunities

In reviewing the themes that arose out of this inventory, the Farm to Plate work, previous research, and related projects; key areas that presented themselves for further investigation were:

- Business Planning and Profitability Improvement
- Market Development
- Producer-Processor communication and collaboration
- Addressing Seasonality
- Workforce development
- Regulation
- Access to appropriate slaughter and processing
- Leadership development

The improvement and expansion of the current meat slaughter and processing infrastructure is crucial but there are also needed developments on both the production and consumption sides. These three pieces of the Vermont meat system need to continue to grow and develop in an integrated and balanced manner so that none of these stages limit the others from reaching their full potential.

Development work in this area should be aware of three critical dynamics in the system:

- Financial challenges faced by all players
- Inappropriately matched segments of the value chain
- Effects of regulatory structure

Funding Opportunities- Current Requests for Meat Processing Development in Vermont:

**Building Northeast Slaughter and Processing Capacity** (Unfunded)

“This project would seek to build upon prior research such as the 2007 VT Livestock Processing Survey performed as part of the New England Meat Processing Project, in addition to enhancing a producer-processor working group identifying and addressing holistic challenges and opportunities within the existing northern New England livestock processing system through the common goal of business viability. The project will utilize a collaborative approach using farmers and processors as reciprocal teachers, business and agricultural experts and a multi-level regional partnership.

Some work areas project partners identify may include: improving safety practices to reduce workers' compensation costs, establishing seasonal processing rates, season extension for grass-based livestock production, animal behavior training, employee management and customer service training.”

**Local-Regional Beef Market Development** (Pending)

“The goal of this project is to increase the volume and availability of New England-produced beef at local and regional market outlets, and to maximize opportunities for local producers to have dependable markets.” This project has three primary aspects. In-depth research review and stakeholder interviews to assess market demand and infrastructure needs. Promote collaboration between producers and processors to ensure financial viability at both stages of the value chain. Promote regional collaboration and exchange best practices across New England.