

A partnership between Cornell University and the CCE Associations in these five counties:
Allegany, Cattaraugus, Chautauqua, Erie, and Steuben.

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Spring 2020 SWNY Beef Industry Virtual Summit Meeting Highlights

Introduction: On May 5, 2020, SWNY beef farmers, CCE ag staff from local extension offices, and the SWNY Dairy, Livestock, and Field Crops Team gathered at a virtual summit to discuss beef production in the region. The region encompasses Allegany, Cattaraugus, Chautauqua, Erie, and Steuben counties. Discussion points were focused on factors surrounding changes to business as a result of the COVID-19 pandemic, in addition to what programming CCE can provide to regional farmers now and into the future. This white paper details major findings, insights, and educational programming ideas.



Beef farmer distribution in the region includes the following classifications:
Cow-Calf
Stocker/Backgrounder
Finisher
Birth-to-Finish



Processing and Auction Update

At the time of this meeting, the May 1st livestock update from Dr. Mike Baker had been released. Nationally, plants were operating at 50-75% of normal capacity, with the total national capacity continuing to drop. JBS, Cargill, and Nicholas meats, major buyers for regional cull and finished cattle, were down in capacity while accepting minimal or no finished cattle outside of contract. Dairy cull prices were also depressed as a result of oversupply and lack of processing capacity, though fleshier cull cows were bringing better than their leaner counterparts. Prices for cattle at auction were also depressed, as part of a downward trend, with very few finished cattle entering the auction channel. The low prices for cattle at the time were resulting in the following options for regional producers.

- Hold onto cattle ready for market until prices increase
- Sell at lower prices through an auction
- Sell feeders now since prices were up
- Process cattle for direct market or institutional (Farm to School) sales
- Choose to keep some feeders to finish and direct market

Marketing

Those producers selling direct to consumers are experiencing high demand for product, with preference towards familiar cuts. With the anticipated maintenance of higher consumer demand, some producers who traditionally sell calves are opting to keep some of that stock for direct sales. While the increase in sales is being embraced by producers, there is a bottleneck in the direct market production chain: processing plant capacity.

Anecdotally, processing appointments for both USDA and custom-exempt plants are booking anywhere from two to four months to a year or year and a half in advance. For those producers who have cattle ready now and consumers waiting, this is a challenge, but building relationships with the processor can help. At this time, some processors are limiting their cut sheets in order to try to process as many orders as they can. It would be helpful for farms to use those limited cut sheets, rather than to offer the full cut sheets, as a favor to the plant, but also to provide an easier-to-understand option for the consumer. Additionally, it may be helpful for processors if the farm delivering the animal for processing was to pick that animal up and distribute to its customers as a service. This decreases some of the time the processor would otherwise take to distribute product.

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The Importance of Consumer Interaction

For direct market producers, gaining new customers through the COVID-19 pandemic is a silver lining. To retain these customers, the items below should be kept in mind. New customers that are mainly familiar with the supermarket shopping experience will benefit from the producer's patience and education of the local beef trade. They are interested, engaged, and want to buy local for many reasons, but a poor first impression can end a consumer relationship permanently.

Provide a high quality product

Knowing what a proper finish of your animals looks like and only sending those animals that are ready to go to slaughter can result in an overall better eating experience for the consumer, and a higher likelihood for future purchases.

Stock common cuts

Regional farms report that consumers are opting for more familiar cuts. Having more of these commonly available cuts in addition to an increased amount of ground will keep you better stocked for new customers. Common cuts include ground, pork chops, lamb chops, and sirloin tip roasts.

Letting new consumers pick up from the processor should be considered with caution

Most processors are located in very rural areas, and may not portray the image that you want for a first-time customer. Once the consumer is used to the processing system, you can then allow them to pick up their own orders.

Be patient with consumers

Excellent consumer service in addition to marketing is paramount in attracting and retaining consumers.

Farm to School Program Update

One of the goals of the Farm to School program through CCE is to make connections between farms and schools to aid in the purchasing of NY products for school meals. At this time, regional coordinators are looking for connections with beef producers to help get more NY beef into schools. Adding beef to the menu is commonly what allows school districts to meet the program requirement of having 30% of their menu ingredients sourced locally from New York State. By meeting that 30% requirement, schools receive the maximum reimbursement amount per meal per child from the state, and both the school district and children benefit from locally-sourced food. Details about what the program is looking for are listed below:

- USDA processing is required
- Some schools can pick up product, others need delivery
- Volume of product needed is based on the school, but tens of pounds is usually a minimum
- Although ground and burgers are preferred, schools are becoming more experimental with cuts
- Schools like to pay at or under \$4.50/lb for their product
- Contact a regional Farm to School coordinator to let them know what product you have available, and in which quantities, and they will work to pair you with a school

https://harvestny.cce.cornell.edu/uploads/doc_100.pdf



CCE Programming Discussion

Farms were asked what programming CCE could begin or continue to provide to best meet the needs of the regional beef industry now and into the future. From this conversation, 5 areas of programming were highlighted.

- Improve education outreach for protocoling animals to increase the overall quality of cattle going to market.
- Share resources on local beef organizations to help increase involvement among members of the community.
- Helping to organize virtual auctions may help producers to reach a wider audience with their cattle.
- CCE or other trained individuals to help sell graded cattle as a regular auction option to help raise the overall price of cattle.
- The "Meat Your Farmer" event held by CCE Chautauqua was popular; this event helped increase the customer base for some farms and allowed them direct interaction with the public in a neutral space. It was requested that a similar event be hosted this or next year.