

EXTENSION SERVICE

---

# Selling Local Meat in Central Oregon

A How-To Guide



**Oregon State**  
UNIVERSITY

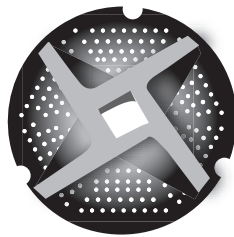
# Selling Local Meat in Central Oregon



Central Oregon is a great place to raise and sell local meat. There is strong consumer demand for local, sustainably raised meats and many outlets for getting your product to market. This guide contains a few basics to consider as you explore your options:

- Marketing channels: wholesale vs. direct
- Do you sell meat or animals?
- Selling to wholesalers: what do they need, what do you need
- Managing the whole carcass
- Local processing options
- Additional resources

We hope you find this guide useful. Please do not hesitate to contact us with questions, comments or ideas. Many thanks to our partners at OSU Extension, the Central Oregon Intergovernmental Council and the High Desert Food & Farm Alliance for all their assistance in putting this guide together.



**NICHE MEAT PROCESSOR**  
ASSISTANCE NETWORK



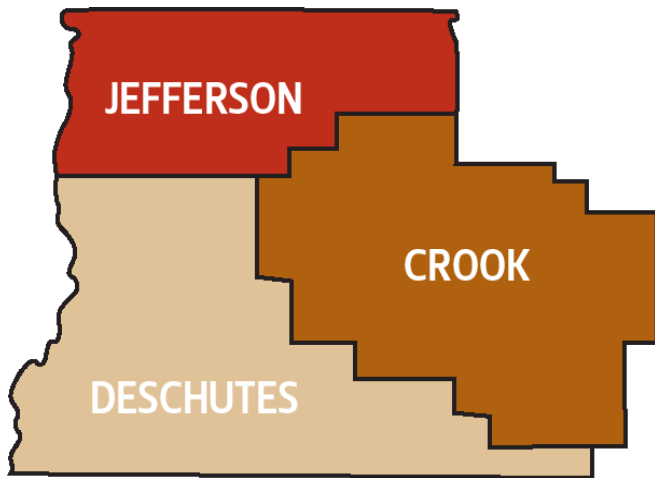
Extension Service



Committed to the future of rural communities.

# A How-To Guide

Wholesale vs. Direct	4
Selling to Wholesalers	6
Local Processing Options	8
Additional Resources	9



**Kathryn Quanbeck**

Niche Meat Processor Assistance Network

Oregon State University

[kathryn.quanbeck@oregonstate.edu](mailto:kathryn.quanbeck@oregonstate.edu)

541-728-8715

**Scott Duggan**

OSU Livestock Extension Faculty

Warm Springs/Central Oregon

[scott.duggan@oregonstate.edu](mailto:scott.duggan@oregonstate.edu)

541-480-3091

# Wholesale vs. Direct:

## Which is Right for You?

---

While there is no one right answer to this question, there are a couple of things you should think about as you consider your marketing opportunities. Answering the following questions will help you clarify whether direct marketing, wholesaling, or a mix of both is best for you and your business.

---

### How many animals do you raise a year?

For very small producers (those selling less than 100 head per year), direct marketing is likely to be the most profitable. You'll get a higher price selling direct and cutting out "the middleman." Remember, when you wholesale you have to sell at a *lower* price than what you see at the grocery store. If you see a package of ground beef at the grocery store for \$8 per lb., that means the farmer probably sold that ground beef to the store for about \$3 - \$6 per lb. If you only have a small amount of meat to sell each year, you'll be better off going straight to the customer so you can get the full retail value.

### How much time do you have?

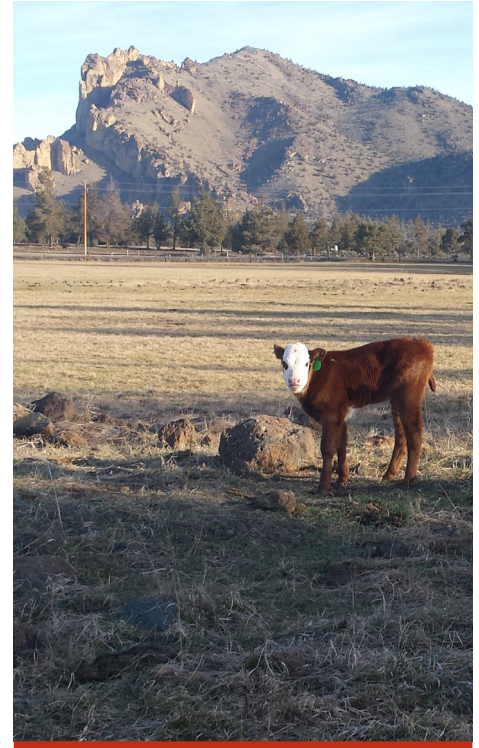
Is farming or ranching a full-time job for you, or something you do in addition to your day job? Is it your hobby? How much time do you want to devote to this endeavor? Both direct and wholesale market channels are time intensive. There is no way around it: marketing takes time. But different market channels require you to spend your time in different ways. Selling at farmers markets means being at your booth every Saturday in the summer, whereas wholesaling means lots of calls, emails, and visits to current and potential customers. Think about how much time you have to devote and how you want to spend that time as you consider your market channels.

**Are you an introvert?  
An extrovert?**

All sales, direct or wholesale, require you to be a bit of an extrovert. There is a lot of competition out there, so you have to be passionate about why your product is the best. But, in general, farmers and ranchers find that direct marketing takes a bit more of an extrovert-type personality. This is particularly true for farmers markets: you have to like talking to people and talking about your farm or ranch and your business to be successful at the farmers market.

**What are your goals for  
your business?**

Take some time to reflect on what your long-term vision is for your farm or ranch business. Do you intend for meat sales to provide a full-time job for you and a stable income for your family? Then you'll probably have to scale up to the point where you do both wholesale and direct marketing. Is this a side job, where you just want to raise a few animals and make a little bit of money? Direct marketing is probably the way to go. The Holistic Management website has a lot of good resources for thinking about your business in a holistic way: what is right for you, your family and your land? You can find these tools at [www.holisticmanagement.org](http://www.holisticmanagement.org).



# Selling to Wholesalers:

## What do they need, what do you need?

When selling wholesale, you have a couple of options: you can go direct to the retail or food service outlet (i.e., sell direct to a grocery store or restaurant) or you can sell to a distributor (like Ag Connections or Locavore in Bend or Nicky USA in Portland). All of these options will require USDA-inspected slaughter and processing: legally, any product intended for resale must be slaughtered and processed in a USDA-inspected establishment. You cannot use a custom-exempt processor – stationary or mobile – to slaughter and process product that you sell to a restaurant or retailer.

In addition to the proper inspection, a wholesaler might require product liability insurance. Regardless of whether you sell direct or wholesale, product liability insurance is a good idea. These policies tend not to cost too much per year and could be a lifesaver in the



event that someone gets sick from eating meat that came from your farm or ranch. Talk to your insurance agent about product liability insurance options.

How will you price your product? Many people start by checking competitors' prices. However, it is important to know your own cost of production before you start making sales calls. You probably will be asked to drop your price and you can't negotiate what you don't know. By determining in advance what bottom-line price you must receive to make a profit, you can negotiate with confidence. Resources listed at the end of this document can help you figure out your cost of production and set prices.

A wholesaler might also require specific packaging, labeling and/or invoicing. Be sure to ask about these things up front and include them in your costs. You might need a label with your farm or ranch brand on it, cardboard boxes to "case pack" your product (wholesalers will require new boxes, not recycled produce boxes), and a computer generated invoice. All of these things add time and cost to your product. Be honest with yourself and your customers about what it will cost to deliver the product in a form that works for everyone.



# Local Processing Options:

## Central Oregon Meat Processing Facilities

**USDA-inspected:** required for wholesale sales (to retailers, restaurants, distributors, etc.), sales at farmers markets, and any other “by the cut” sales.

### **Butcher Boys (slaughter & processing)**

2525 N Ritches Lane  
Prineville, OR 97754  
(541) 447-0334

### **Oregon Beef Company (slaughter & processing)**

1762 S Adams Drive  
Madras, OR 97741  
(541) 475-3186

Remember local processing facilities often book up *far* in advance, particularly during the busy season. **Call early to reserve your processing dates**, especially for the summer and fall (during this time of year there is demand for processing not only from farmers and ranchers, but from county fairs and hunters too).

**Custom-exempt:** for direct sales (e.g., halves and quarters) and personal use. Livestock must be sold to the end consumer before slaughter (see FAQ listed below for rules).

### **Cinder Butte Meat Company (slaughter & processing)**

197 NW O’Neil Way  
Redmond, OR 97756  
(541) 548-6328

<http://www.cinderbuttemeat.com>

### **Redmond Smokehouse (processing only)**

353 SE Railroad Blvd  
Redmond, OR 97756  
(541) 548-5575

### **Quimby’s Independent Meat Market (slaughter & processing)**

240 E 4th Street  
Prineville, OR 97754  
(541) 447-6377

### **WWR Smokehouse & Foods (processing only)**

1891 NW Mill Street  
Madras, OR 97741  
(541) 475-6000



# Additional Resources

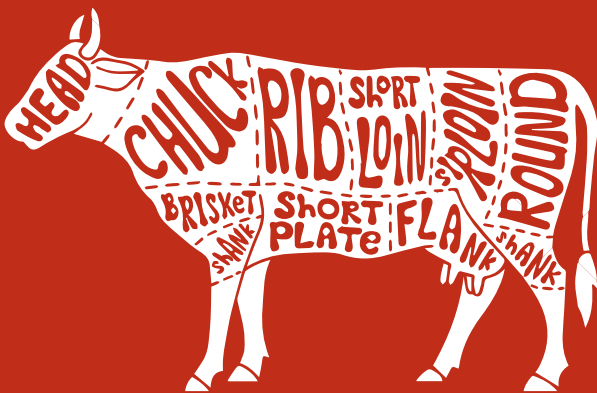
## New to Cut Sheets?

You'll be better prepared to work with your local processor if you have a basic understanding of cut sheets before you call.

**Processing Percentage Charts**, Lucy Severs, Washington Department of Agriculture

<http://tinyurl.com/percentagecharts>

These charts show the amount of meat to be processed, the weight that the customer can expect to receive, and the percentage of loss through boning, fat removal, and trimmings. Keep in mind that the size of the animal, the amount of fat, the grade of the meat, and the amount of trimming and boning that is done by the processor will all impact how much meat you actually take home.



## Niche Meat Processor Assistance Network (NMPAN)

[nichemeatprocessing.org](http://nichemeatprocessing.org)

NMPAN is a network and info hub for people and organizations who want small-scale meat processors to thrive. We offer tools and information for small processors and the farmers, marketers, and meat buyers who depend on them.

## Oregon State University County Extension Offices

Your go-to for local resources. OSU Extension faculty and staff work with business people, farmers, ranchers, foresters, youth, and community leaders to share OSU research with the community and community needs with OSU researchers.

### Deschutes County Extension

[extension.oregonstate.edu/deschutes/](http://extension.oregonstate.edu/deschutes/)

### Crook County Extension

[extension.oregonstate.edu/crook/](http://extension.oregonstate.edu/crook/)

### Jefferson County Extension

[extension.oregonstate.edu/jefferson/](http://extension.oregonstate.edu/jefferson/)

**Meat and Poultry Processing Regulations in Oregon: A Short Guide**, *Lauren Gwin, OSU Small Farms*

<http://tinyurl.com/poultryprocessing>

This guide covers all the basics you need to know about processing regulations: USDA-inspected vs. custom-exempt, what is an “amenable species”, what is a “voluntary species”, what does “locker sales” mean, etc.

**FAQ on Using Custom-Exempt Slaughter and Processing Facilities in Oregon**, *Lauren Gwin, OSU Small Farms and Jim Postlewait, Oregon Department of Agriculture*

<http://tinyurl.com/processingfacilities>

Are you thinking about using a custom-exempt facility to sell live animals in shares (e.g., halves and quarters)? Read this guide first to make sure you know the rules and regulations.

**Local Meat Buying Guide**, *Arion Thiboumery, Iowa State University*

<http://tinyurl.com/localmeat>

This guide can help you explain cuts to your customers. This easy to use, consumer-oriented guide explains buying pork and beef as whole animals (or portions thereof). The guide covers marketing terms (like organic, grass-fed, etc.), storage and handling recommendations, types of meat inspection, meat weights (live vs. carcass vs. retail cuts), and common retail pork and beef cuts with color photos.

**“The Butcher Stole My Meat!”**  
*Christopher Raines, Penn State University*

<http://tinyurl.com/stolemymeat>

A one-page handout that will explain how a 1,200 lb. steer walked in and only about 475 lbs. of beef came out. Great for those new to meat processing.

**How to Direct Market Your Beef**,  
*Jan and Will Holder, Ervin’s Natural Beef*

<http://tinyurl.com/directmarket>

*How to Direct Market Your Beef* portrays how one couple used its family’s ranch to launch a profitable, grass-based beef operation focused on direct market sales. From slaughtering to packaging, through labeling and advertising, Jan and Will Holder share their real-life experiences.



**Selling Beef in Halves, Quarters and Bundles,** Arion Thiboumery, Iowa State University, and Mike Lorentz, Lorentz Meats

<http://tinyurl.com/marketingbeef>

If you are a small-scale producer (i.e., you market less than 100 head of beef/year), the way to market your beef for the least amount of time and money is to direct market meat in “bulk”: sell halves, quarters and bundles. This document explains how to resolve common problems selling meat in bulk.

### **Carcass Quality**

What is a “high-quality” carcass and how do you select, raise and feed livestock to achieve consistent, high-quality results in your finished meat product? The following publications can help you adjust your production practices to improve carcass quality.

**Beef: Understanding and Improving Beef Cattle Carcass Quality,** Daniel Drake, University of California Cooperative Extension

<http://tinyurl.com/beefquality>

**Pork: Niche Pork Production,** Peter Lammers, David Stender, and Mark Honeyman, Iowa State University

<http://tinyurl.com/porkquality>

**Lamb: Putting a Hand on Them – How to Tell When Your Lamb is Finished,** Dave Scott, ATTRA

<http://tinyurl.com/lambquality>

## **Pricing Your Products**

If you struggle with how to price your cut meat for market, we have three resources for you. These spreadsheets will help producers develop accurate cost and revenue projections for meat destined for direct or wholesale sales.

### **Livestock Yield and Price Estimator and Calculator**

<http://tinyurl.com/livestockyield>

This worksheet was developed by Matt LeRoux of Cornell Cooperative Extension – Tompkins County and recently shared at the [Oregon State University Small Farms Conference \(http://tinyurl.com/sf-conference\)](http://tinyurl.com/sf-conference). You can use this calculator to determine your yield and cost and price your product to meet your revenue goals.

### **Product Costing Worksheets**

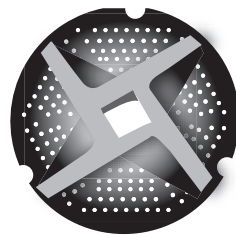
<http://tinyurl.com/productcosting>

This tool was developed by Pam Saunders of Organic Prairie and shared on an archived NMPAN webinar, “Product Costing for Meat Processors and Marketers” from December 2013. The worksheets will walk you through a cutting test and cost calculations.

### **Product Direct Marketing Meat Economic Analysis**

<http://tinyurl.com/nicheprocessing>

These worksheets were developed by Dan Macon of Flying Mule Farm and shared at the 2013 California Meat Summit. Scroll down to “Producer Direct Marketing Meat Economic Analysis” to access the worksheets and instructions.



**NICHE MEAT PROCESSOR**  
**ASSISTANCE NETWORK**

**OSU**  
**Oregon State**  
UNIVERSITY  

---

**Extension Service**