

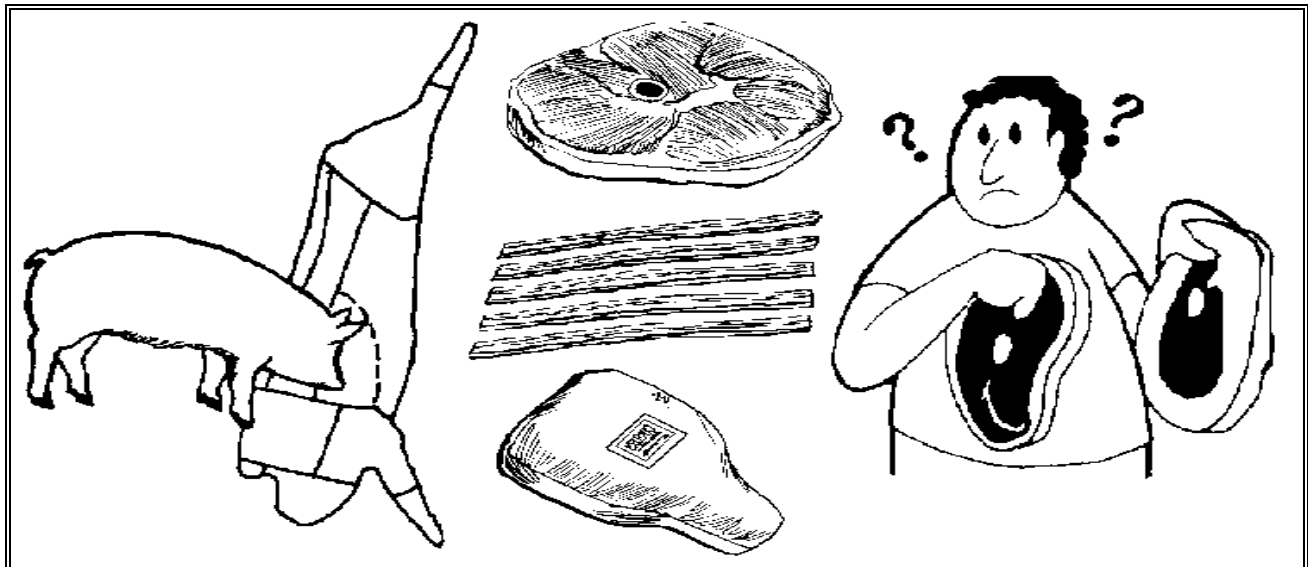
# ALTERNATIVE MARKETING OF PORK

LIVESTOCK TECHNICAL NOTE

ATTRA is the national sustainable agriculture information center funded by the USDA's Rural Business -- Cooperative Service.

**Abstract:** *This publication explains why sustainable hog producers need to consider alternative marketing of their pork. Sustainable hog producers are creating product that many consumers can't find in their grocery store, but want to buy. Consumers perceive sustainably raised pork to be healthier to eat and are willing to pay hog producers more for raising pigs in a manner that is humane, helps sustain family farms, and is more environmentally friendly than conventional production methods. Direct marketing and niche markets are some alternative marketing strategies discussed. Legal considerations, trademarks, and processing regulations are explained. Sources of additional information are also provided.*

By Lance Gegner — NCAT Agriculture Specialist  
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## INTRODUCTION

The sustainable farmer would be able to compete with the large hog concerns that monopolize conventional marketing channels if the playing field were level, but it is not level. Vertical integration of hog production means large hog farrowing and finishing complexes, slaughtering facilities, processing options, distribution, and, finally, access to the retail counter. The smaller sustainable hog producers are at a disadvantage, losing many of their markets to these megahog corporations. Alternative marketing is almost always necessary for sustainable hog producers to survive and make a profit.

### Alternative Marketing

Successful marketing is a necessary part of a profitable enterprise. Farmers who have been more interested in sustainable, humane production of hogs have often neglected marketing. But what good is producing the pigs if the producer can't sell them for a profit? If the hog producer is locked into producing pigs for the commodity market, the producer just takes whatever price the wholesale and retail distribution networks want to pay. Alternative marketing practices can be connected with various aspects of these alternative sustainable production systems. Although many sustainable pork producers have not developed their marketing skills, there is a real opportunity for value-added or premium products raised in sustainable systems.

In an article in *Acres U.S.A.*, Larry Butler, operator of Boggy Creek Farm—a five-acre TDA certified organic farm—states, "If you don't want to market, you may as well understand that you're working for the other fellow the same as if you're pushing steel in a factory" (1).

### Commodity vs. Direct Marketing

Before sustainable hog producers decide if they are going to start alternative marketing, they will

have to understand the differences between commodity marketing and direct marketing. Allan Nation, editor of *Stockman Grass Farmer*, has stated, "A commodity orientation means that as long as you meet the specs and can stand the price you pretty much tell everyone else to go fly a kite. Such a selfish attitude absolutely will not work in direct marketing." Allan further explains that direct marketing is more about providing services to others by helping them get what they want. He comments, "In the U.S, consumers expect an attitude of deference and responsiveness to their wants and needs. If you are unable or unwilling to develop—or convincingly fake—such an attitude, stay in commodity-priced agriculture. However, if you see service to others as a noble calling, don't let the lack of specific marketing or production skills deter you. Aptitudes are rather easily learned. It is our attitudes that are difficult to change and that most often determine our fate" (2).

## DIRECT MARKETING

Direct marketing involves selling products directly to the consumer in order to allow the producer the possibility of receiving a better price. This usually involves making a direct connection to consumers, determining the consumer wants or needs, and producing the products that meet these needs.

Joel Salatin, a Virginia pastured beef and poultry producer as well as author of several books, suggests several things to think about when deciding on pricing of your products. First, don't under-price your product. Sustainably produced pork products are superior products because they are more environmentally friendly, humanely produced, and are produced on family farms. Patronizing local farmers ensures that the local economy is stimulated, rather than some distant area. Salatin suggests that producers set a rewarding and satisfying gross margin and then stick to it. This will allow the producer to build a customer base with clients who appreciate the product for what it is, not for what it costs (3).

Second, don't try to satisfy all customers' needs. Take into account the time and extra effort that may be needed to accommodate their requests. Joel

states, "We must appreciate that we cannot compete with the big operators at every level, and learn to stop our production or processing at the point where our quality/price enhancement can't compete with the conventional alternatives" (3).

Finally, keep accounts receivable low. Operate on a cash and carry basis as much as possible. Salatin concluded, "There you have it. Set your prices so that no matter what your volume, your return is both emotionally and financially rewarding; steer clear of the temptation to do everything the customer wants; and let cash be your business byword. By following these rules, your direct marketing endeavor can be

**You may as well do nothing for nothing as something for nothing — Joel Salatin (3).**

satisfying" (3).

Direct marketing has a unique characteristic that depends on building relationships with the customers. In fact, the term *relationship marketing* has been used to describe the best methods of direct marketing for family farms. In an article in *The Stockman Grass Farmer*, Joel Salatin explains the five advantages of relationship marketing. These are:

- **Consumer Education:** The producer has to tell the consumers why his sustainable pork products are different from the pork that can be bought in the grocery stores. This will involve explaining that the pork comes from hogs raised more humanely on a sustainable family farm, not by giant corporations, and that the pork is raised in a more environmentally friendly manner. This is not only good for business, but it is a small step toward the development of the consumer's awareness about farm, social, and health issues that affect our lives.
- **Product Quality:** When the producer maintains control of the hogs and raises them in an alternative, sustainable

fashion, it is easier not to compromise the quality of the pork.

- **Customer Loyalty:** When the consumer knows the producer personally, the relationships built between them, both emotional and physical ties, are not easily broken. Good sellers know and use their customers' names. Loyalty helps bring in repeat customers. The greater the loyalty and satisfaction, the higher the likelihood of repeat business even though the product may be available at the grocery store at a cheaper price.
- **Lifestyle:** As Salatin explains, "I think one of the biggest differences between the pressures I encounter as a small potato and the pressures encountered by the big potatoes is the amount of control we have over the situations that cause pressure. No one can escape from the pressures of life, whether they be financial, emotional, physical, or spiritual. But the chances of our affecting those pressures, of dealing with them, of solving those problems, makes the difference between an enjoyable lifestyle and a terrible lifestyle (4).
- **Balance:** This helps to equalize the relationship between producer and consumer. The producer has to remember that the first rule of business is that the consumer is always right, but in some cases a sale might actually cause a negative gross margin. If the consumer is not a good patron, the producer does not need to continue marketing to him or her. As Salatin said when he had to take a customer off of his customer list, "This helps to balance the producer-consumer relationship, so that we concentrate on profitable sales, appreciative customers, people who 'get with the program'" (4).

Allan Nation suggests that "The opportunities are everywhere. However, as is the case with anything new, the hardest step is the first step. Dr. Marti Skye of PeopleTech describes the start-up of a small business as a four-stage plan. I think her plan is particularly appropriate for a direct-marketed food business. The four steps are:

- 1) Get the knowledge to produce and market the product;
- 2) Produce it for yourself and your family;
- 3) Produce it for your friends who have tried it, like it, and ask for it; and
- 4) Do it as a business.

While this recommended sequence may sound slow, from my personal experience it will actually be far faster and have a much lower capital requirement than the more typical way of jumping in and trying to learn your trade while doing it" (2).

Allan stresses, "If you are considering getting into direct marketing, don't bet the farm on it. Keep doing what you are doing for a living and start learning and experimenting on a small scale. As Skye recommended, the best guinea pig for this period of trial and error is yourself, your family and your friends." If your family and friends are not crazy about it and don't request more, "you are still in your apprenticeship period and are not yet ready to be in business." Don't try selling anything that you have not tried and are completely satisfied with. Allan adds that, "A new business needs virtually 100% customer satisfaction from day one to survive. This is because any new business is necessarily drawing from a very small customer base" (2).

ATTRA's *Direct Marketing* publication provides more specific information on enterprise evaluation, marketing research and planning, product differentiation, pricing and profitability, and direct market alternatives.

## NICHE MARKETS

An important part of direct marketing is the need to identify and target a market niche.

A marketing niche occurs when the producer finds customers who have needs or wants that the producer can satisfy better than anyone else can. A niche may sometimes be found by following a simple and effective method of market research: asking questions and being observant. Look for special or unique needs of the consumers. Identify the special needs that you can meet, and decide if the volume is large

enough to be profitable. The niche market you identify needs to have clientele that are reachable through clearly identified information channels.

Almost any niche market in North America, with its 300 million consumers, can support you handsomely. One third of one percent of that market is still a million people. If you get 10 percent to buy something worth ten dollars from you a year, you have a million dollars. — Dr. Marti Skye (2).

But remember, the very nature of a niche market means that it tends to disappear after a while.

### Developing a Clientele Base

Joel Salatin in another article from *The Stockman Grass Farmer* explains how he and his wife developed their clientele or customer base using a three-pronged approach. Salatin stresses that this approach worked for them, but that your situation may be different. He wants his approach to stimulate your creative thinking; you will have to make your own adaptation (5).

Salatin's first approach was to give samples to anyone that he thought might be interested. He commented, "Over the years, we've never given anything away that didn't come back fourfold." Their second approach was with education. They put a slideshow together and began presenting it at local organizations. These local organizations were glad to get a different, interesting program. The slideshow that the Salatins presented involved showing the alternative production methods involved in their pastured beef and poultry operation. People are always interested in knowing that there are alternatives available for them. He didn't really make a sales pitch, but at the end of his presentation, he'd say, "Now if any of you would like to participate in this type of agriculture, I happen to have some order blanks with me and you are welcome to sign up."

Their third approach was to turn their patrons into evangelists. They let their customers know that they appreciated them spreading the word about them. Whenever a new customer was added, they asked where the new customer had

heard about them. If the new customer gave a name on the established customer list, the next time that the established customer picked up something, Salatin would tell them how much they appreciated the referral and give her a small package of beef or chicken in appreciation (5).

Joel comments that this three-pronged approach was an unconventional advertising program, but it was consistent with their unconventional product. He states, "Our experience, as well as that of others, shows that advertising an unconventional product conventionally never pays off" (5).

### Niche Marketing Opportunities

Alternative marketing opportunities have been verified by recently completed research funded by the Leopold Center at Ames, Iowa. The research suggests that a producer can add value to pork production by capitalizing on marketing meat produced in ways that benefit the environment. Iowa State University economics professor James Kliebenstein and graduate student Sean Hurley suggest that "consumers may be willing to pay nearly \$1 more for a package of pork chops produced under a system that improves air, groundwater and surface water quality" (6).

In four diverse market areas, 62% of the randomly selected people stated that they would pay a premium for pork raised in a system that offered maximum environmental benefits. These systems were described as operations with an 80 to 90% reduction in odor, and 40 to 50% reduction in potential groundwater and surface water contamination. The researchers surmise that "as the [pork] industry develops methods that help sustain or improve the environment, there is a segment of society that will support a market for such products." Further information about this research is available by contacting Kliebenstein at [jklieben@iastate.edu](mailto:jklieben@iastate.edu), phone (515) 294-7111 or Hurley at [shurley@iastate.edu](mailto:shurley@iastate.edu), phone (515) 294-8891 (6).

Niche markets may be readily available because many consumers are looking for safe, healthy food products raised in various systems, such as

humane, organic, earth-friendly, free-range, antibiotic-free, etc. Mark Honeyman, associate professor of animal science and coordinator of the Research and Demonstration Farms at Iowa State University, explained "We're going to see many more labeled meats. There may even be contracts to buy 'family farm' hogs, or the like" (7).

An example of a type of labeled product is Niman Ranch Pork Company that was formed January 1999, as a partnership between Niman Ranch in California, Paul Willis and some Midwestern hog producers. Operating a pasture-farrowing operation near Thornton, Iowa, Paul Willis has marketed hogs through Niman Ranch—a 20-year-old company, founded by Bill Niman, that sells natural meat products on the West Coast—for several years. Niman Ranch Pork Company slaughters hogs every week and sends the meat fresh to the West Coast. Paul Willis explained that Niman Ranch Pork Company is looking for pork producers to market hogs raised following the criteria set by Niman Ranch and the Animal Welfare Institute (AWI). This includes raising the right type of hogs without growth promotants or subtherapeutic antibiotics, without using any meat or bone meal products, and farrowed and raised in low-stress environments such as on pasture or in deep-bedded systems. If you would like more information about the Niman Ranch Pork Company, contact Paul Willis (8).

Another example of an alternative marketing opportunity met is Patchwork Family Farms, composed of 12 independent family hog farmers. They market pork raised in an old-fashioned way using sustainable and humane growing standards that prohibit growth or synthetic growth promoters, and provide sources of water and feed that must be antibiotic-free. They also stress that animals must receive adequate amounts of sunshine, fresh air and quality feed necessary to maintain good health (9).

## Organic Labeling

One of the most commonly recognized and the largest niche markets is for organically grown products. This niche market had been limited for meat products until recently; but, effective January 1999, the USDA will allow meat to carry the label "certified organic by (name of certifying agency)." For more information contact one of the 33 private and 11 state organic certification entities that now set standards for organically produced products. According to Griff McLellan, president of organic certifier Quality Assurance International, this change will mean "additional choices for consumers and an expanded market for producers. Producers will now be able to take credit for the agricultural methods they have been practicing all along (10)." ATTRA can provide more specific information on the various organic certification entities. Contact ATTRA again to request this information.

The USDA's Food Safety and Inspection Service (FSIS) is the agency responsible for assuring the labeling of meat products are truthful and not misleading. The FSIS has to evaluate the labeling bearing claims, such as "certified organic by (a certifying entity) prior to use. Because the term "organic" has not yet been defined by the USDA, the term "organic" may not be used by itself as a claim on labeling meat products, except as a part of the signature line on labels (if "organic" is part of the company's incorporated name and it is deemed not to be misleading). For more information on this new policy, the producer can contact the Labeling and Additives Policy Division at (202) 205-0279 or at their website [www.fsis.usda.gov](http://www.fsis.usda.gov) (11).

Organic Valley Family of Farms is an organic marketing cooperative in Wisconsin. Starting in the spring of 1999, they began marketing certified organic pork to various retail outlets for about 12 organic hog producers. For additional information contact:

Allen Moody  
Organic Valley  
PO Box 159  
La Farge, WI 54639  
(608) 625-2602

Website: <http://www.organicvalley.com>  
Ethnic Marketing

Ethnic markets are an interesting and often under-exploited niche market. Many ethnic groups form close knit communities and can offer potentially concentrated and lucrative markets to farmers. But bridging the cultural gaps between the consumer and producer is both a challenge and an opportunity.

The Berkshire Gold Certified Pork™ program, known as Berkshire Gold, is a program to market hogs with at least 50 percent Berkshire pedigree to Japan for a premium price. The Japanese consumers are used to looking for a dark, red meat with the marbling associated with the Berkshire breed raised in Japan. While the Japanese still raise Berkshires, there are not enough to fill the demand. This helped get the Berkshire Gold program started in 1994 with about 200 head shipped each week, increasing up to about 4000 head each week in 1997. But when the Asian economy got into trouble, the number shipped each week decreased to 2300 head. Berkshire Gold is remaining optimistic for the market to return. The Berkshire Gold producers need to work with 4 packers who work with the program, two in Iowa, one in Nebraska and Idaho (12). For more specific information about this marketing program, contact Dan Dunphy, directory of Berkshire Gold (13) or the American Berkshire Association at (765) 497-3618.

Dennis DiPietre, commercial agriculture swine specialist, co-authored a study of marketing pork to Mexican consumers for the National Pork Producers Council (NPPC). According to an article in *Small Farm Today*, the analysis shows "that Hispanics dine out less than the white population, suggesting market opportunities for grocery stores, especially small local stores, rather

### **Related ATTRA Publications**

Direct Marketing  
Farmers' Markets  
Overview: Adding Value to Farm Products  
Sustainable Hog Production Overview  
Organic Certification

than restaurants. Hispanics place great emphasis

on freshness. They prefer higher priced lean cuts of pork such as ham and chops, but also consume feet, skins, heads, snouts, and stomachs for certain recipes. On average, they have larger households and spent 53% more on pork than do non-Hispanics" (14).

DiPietre also suggests that "The pendulum is swinging back to taste and traceability. There are market segments out there of under-served consumers. There is a potential for profit if you cater to these needs. It may be no more than how you fabricate a carcass for meat used in an ethnic recipe. I discourage the term 'demand for pork' because there are many demands: Hispanic, Asian, Italian, upper-scale, all wanting a different quality bundle. Yet the industry focuses on the fastest growing hogs that consume the least feed and as a result lose sensory attributes" (14). [See **Sources of Further Information** for information on how to obtain a copy of this report entitled *Front End Guidance for Value-Added Networks* from NPPC.]

Started by six Utah hog producers, Gorditos Meats supplies pork to 10 Hispanic markets. According to an article in *Pork '98*, the producers determined that there was a large Hispanic population in Utah that wasn't getting what it wanted. What the Hispanic population wanted was a whole pork carcass, with the skin, head, and feet intact. Gorditos Meats teamed up with two custom slaughters and offered three product lines: 30- to 60-pound carcasses, 70- to 90-pound carcasses, and 100- to 160-pound carcasses. The article comments, "The Hispanics are loyal consumers who prefer to establish relationships.

Hispanic shoppers treat food shopping as a social event, they want a full-service meat counter, they don't like big supermarkets, women do the shopping and the family eats together. After some time in a learning curve, we established four business rules. They are: 1) Cash only, no credit; 2) Orders taken only on Mondays, 3) Wednesdays and Fridays are delivery days; and 4) There's no carryover. On Friday the coolers are empty" (15).

## MARKETING CONSIDERATIONS

Direct and niche marketing can either be done alone or by working with others, such as a cooperative or private label brands. It can involve freezer meat sales, home delivery, farm meat stores, farmers' markets, Internet sales, sales to restaurants, groceries and/or specialty food stores, or even catering events and preparing hog roasts.

For producers interested in exploring the possibility of forming a marketing cooperative, the best source of information is USDA Rural Economic and Community Development's (RECD) Rural Business and Cooperative Development Service (RBCDS) (16). The RBCDS help farmers and rural residents form cooperative businesses and improve the operations of existing cooperatives. They provide technical assistance, conduct cooperative-related research, and provide informational products to promote public understanding of cooperatives.

Starting small is probably the best approach for the beginning marketer. This could involve marketing to friends and neighbors, home delivery, farm meat stores, and/or farmers' markets. Sales to restaurants, groceries and/or specialty food stores may be more difficult for beginning marketers because the stores usually want guarantees of amounts of meat and are sometimes locked into exclusive contracts with the large suppliers (17). Also, some store managers may refuse to handle and display alternative meat products because as one explained that if his store "made a big deal out of humane meat" customers might start to wonder if something was wrong with the regular meat (18).

In a *Stockman Grass Farmer* article, Doug Gunnick, a consultant, brings up four questions that producers need to consider before beginning niche marketing. These are:

- 1) What size do you see your business after two years? Will it be a supplementary income or the main source of income?
- 2) Who are your customers? Is there a cooperative or company wanting to buy your product, or are you selling directly to the customer?

- 3) How should you process? Are you going to do your own processing or have it custom processed? What type of products are you going to produce and market?
- 4) How will you distribute your products? This will probably depend somewhat on your location. Have you a potential market available, or are you in a more isolated area? (19)

### Legal Considerations

Marketing activities are affected by a wide variety of laws and regulations at federal, state, county, and city levels. While regulations vary by type of enterprise and location, there are some general rules to be aware of in all areas of direct marketing. Some of these legal considerations include the type of business organization (sole proprietorship, partnership, etc.), zoning ordinances, small business licenses, building codes and permits, weights and measures, federal and state business tax issues, sanitation permits and inspection, food processors' permits, and many, many more. If you plan to employ workers, there will be more requirements to meet, such as getting an employer tax identification from the IRS and getting state workmen's comp insurance. Environmental laws are also becoming increasingly important to farmers.

Always check with local, state, and federal authorities before trying to market any food product. Processed foods are heavily regulated to protect public health. Stay informed, since rules and regulations change often, and keep good records to prove that you're in compliance.

Adequate insurance coverage is essential. Insurance that every operator should have includes liability insurance for your product and your premises, employer's liability insurance to protect you if employees are injured, and damage insurance to protect against loss of building, merchandise, and other property. General comprehensive farm liability insurance often does not cover on-farm marketing or direct marketing operations. See **Sources of Further Information** for information on *The Legal Guide for Direct Farm Marketing*, as well as other publications on this subject.

### Starting a Business

Starting a new marketing business can be rewarding, but it may also be frustrating and confusing. Resources for business help can sometimes be found by contacting your local Chamber of Commerce, doing a search on the Internet, or by contacting either state or federal agencies. The Small Business Association (SBA) is the federal agency. SBA's website is <http://www.sba.gov>. The SBA has offices in all states and these offices should be contacted for information on what they have available (20). Some people using the SBA agency are very happy and enthusiastic about the help they receive, while others don't find the help they desire. If SBA is not helpful, state and local agencies, organizations, or groups may be able to help. See **Sources of Further Information** for addition sources.

### Trademarks

Producers who plan to sell or are currently selling value-added products from the farm might want to consider getting a trademark to identify their products. Almost all businesses use some kind of logo or design as a means of identification; these are called trademarks or brand names. The law that protects trademarks was designed to prevent customer confusion and unfair competition by someone marketing on the reputation of another. Trademarks will help prevent others from copying the look or name of your product. There is both state and federal registration in the U.S. Each state has a system to register trademarks used within that state. The U.S. Patent and Trademark Office (PTO) administers the federal system. The symbol ® indicates a trademark has been registered with the PTO. The symbol ™ designates a trademark established through common law use but has not been registered with the PTO. The state registration and federal registration both take time and money, but are probably worth it to make sure your trademarks belong to you. Even if the producer decides not to register the products, use of the ™ symbol on all your products will provide some commonlaw protection (21). Additional information on how to apply for trademarks

should be referenced in several of the books listed in **Sources of Further Information**.

### Processing Regulations

Producers considering constructing their own slaughtering and processing facility should remember that it is very important to comply with federal, state, and local regulations for

processing—the axiom "ignorance is not an excuse" applies here. Farmers who intend to process on-farm should be aware of all federal, state, and local regulations. Your state department of agriculture will have information about regulations as will your health department. Your county Extension office should be able to direct you to the county agencies that regulate zoning, health, and other local regulations. For federal regulations, it would be best to contact the Food Safety and Inspection Service (FSIS). The FSIS works with small and very small processing plants to make sure they comply with the Hazard Analysis Critical Control Point System (HACCP). For more information about FSIS and HACCP, or for generic HACCP models and guides available, the producer can contact their website: [www.fsis.usda.gov](http://www.fsis.usda.gov), call the FSIS Technical Service Center at (800) 233-3935, extension 2, or contact Mary Cutshall at the Small/Very Small Plant Coordination Office (22). Additional information can also be obtained at the USDA Meat and Poultry Hotline at (800) 535-4555 or at the International Meat and Poultry HACCP Alliance at (409) 862-3643 or their website: <http://ifse.tama.edu/haccpall.html>.

## MARKETING CHANNELS

### Live Freezer Meat Sales

For many livestock producers, freezer meat sales have been the most successful when selling live. Freezer sales usually force the hog producer to become a broker for the slaughtering and processing at a government-approved facility. Before starting to market, the producer needs to form a good working relationship with the locker or government-approved facility. Several points

to consider listed in an article in *Small Farm Today* include:

- 1) The facility needs to be close to both your location and the market area;
- 2) It should be a clean, regularly inspected facility;
- 3) The operator needs to be willing to work with buyers who have little knowledge of processing and will probably do most of their business on a weekend. (There are people who think a hog is all chops.)
- 4) He or she needs to be willing to handle special orders.
- 5) Cut, size, and selections, packaging, package weight and other processing steps (slicing, smoking, curing, etc.) should be written down and fully understood by all parties. (17)

From the fall of 1998 through the first half of 1999, hog farmers bringing in low-cost hogs for marketing direct rather than through the conventional markets swamped small meat processing plants. Lorenz Meats in Cannon Falls, Minnesota, has worked with area farmers for several years developing direct marketing strategies. They believe that "profitable small livestock operations make for profitable small-town meat processors. Market Makers is their program for farmers who direct market pork and beef."

Mike Lorenz explained that "These occasional direct marketers are wrecking the market for people who really are trying to do long-term marketing. They are flooding the market with cheap pork and devaluing our other marketing efforts. They are only getting their cost out of it." He suggested that farmers who want to make profit direct marketing pork should sell for around 70 cents a pound. Lorenz explained that the small meat processing plants are hoping that some of these once-in-a-while marketers will continue to market after the crisis to help keep small meat processors available in rural areas (23).

Some additional points to consider are:

- The largest portion of your business may come from value-added products like sausages and other processed meats;
- In pricing the hogs, be sure to include the cost of handling and delivery to the facility;
- Make sure the buyer understands that there will be loss of weight during slaughtering, processing, and curing;
- Require a deposit before taking the hog to slaughter (17).

### Home Delivery

In 1983, family farmers Tom and Ruth Neuberger, along with son and daughter-in-law Tim and Joanne of Canistota, South Dakota, started marketing free-range geese marketed directly to the consumer from refrigerated trucks called "Goosemobiles." The customers placed orders in the beginning of the year and were notified when the "Goosemobile" would be in their area. The Neuberger's have added other poultry to their marketing over the years and added pastured pork recently. Ruth says, "Our niche market of free range poultry has been good to us. The special flavor, texture and fat content of our birds appeal to a significant number of customers. We feel our pastured pork is also distinctive. The way the pork industry is moving toward confinement, pastured pork is a viable alternative for us as producers and our consumers (24)."

The Neuberger's have processed their own poultry since 1985, but have decided not to process their own pork. They have it processed in a properly licensed and inspected facility. They package all the different vacuum-sealed cuts in 1 to 3 pound packages with hams about 8 pounds. They also have brats, links and braunschweiger made. Tom explains, "Several people asked us why we think our pork is better than pork raised in confinement. We tell them it isn't just better—it's different. The muscle of a pastured hog compared to a confinement hog is like an athlete's muscle compared to that of a couch potato." Tom adds, "You should see the color or the meat! In the old days pork was a red meat. Now, the pork council advertises "the other white meat" which has come from animals

that don't exercise much. Our pastured pork is red because when the muscle is exercised vigorously the hemoglobin increases dramatically, making the meat red." However, the Neuberger's are cautious in comparing the nutritional value of their pastured pork. They believe the taste, texture and fat content of their pork will appeal to a significant number of their consumers who are willing to pay the premium price that the Neuberger's must have in order to raise, custom process, and market their hogs (24).

### Farm Meat Stores

Dennis Heffron—a grass-based beef farmer in Belding Michigan—started a small on-farm meat store in the late 1980s. Over the years, he has added chicken, turkey and pork to his store. The livestock is bought from small farmers in his area, who raise them to his specifications. Heffron buys at a price that is profitable for the farmer and has the livestock processed at a local, federally inspected plant. The customer can buy any size packages of frozen meat from a whole hog to a pound of sausage or a couple of pork chops. Heffron just started selling the pork in his store in the first part of 1999, but expects to market about 150–200 hogs within the next year. He feels that the variety of different meats is an asset to an on-farm meat store because it allows customers to get all their meat purchases at one stop. Heffron is looking into starting another meat store in town to allow his customers another location to make their purchases (25).

### Farmers Markets

"Wearing overalls and a straw hat can increase your sales at a farmers market, according to marketing specialist, Jeff Ishee, of Staunton, Virginia," in a *Stockman Grass Farmer* article. Ishee continues, "It pays to play the hick. You need to look like the stereotype your customer is expecting. Always remember that at its most basic level a farmers market is theater." But he also cautioned that a "hippie" look is definitely a farmers market disadvantage with the typical customers being upscale, middle-aged to elderly people (26).

Ishee's family sells pastured eggs, pastured pork, market garden vegetables and fruit, and bakery

products. Farmers markets are usually open-air and seasonal. Their business hours are usually early morning with a before noon closing. Ishee warned, "If you can't get up early, don't get into direct marketing." Producers need to emphasize that they are local farmers and that their products are locally grown and raised because customers like the idea of supporting local small-scale agriculture. For pasture-raised products, he says it's important to have photos displayed showing the clean, green aspect of pasture produced products. All advertising materials should look homemade, with all signs handwritten and easily understood by the customer (26).

Vegetables are the main items at farmers markets, so producers with meats have a marketing advantage. Ishee commented that, "With meat products, the most expensive cuts are the easiest to sell. He easily sells his pork tenderloin for \$10 a pound." According to Ishee, a direct-marketed farming operation is "20% farming and 80% marketing. You don't have to be a highly skilled farmer to succeed (26)."

For more specific information on Farmers Market marketing, contact ATTRA to request ATTRA's *Farmers' Market* publication.

### Internet Marketing

Producers considering marketing over the Internet should check out the Access Minnesota Main Street website. The website has an Electronic Commerce Curriculum that provides information on: Electronic commerce basics; Finding business information and services online; Exploring E-commerce web-sites; creating your website; Promoting your website; Minnesota case studies; Developing your Internet business plan, and much more. For anyone interested in marketing on the Internet, check out the website at [www.extension.umn.edu/mainstreet](http://www.extension.umn.edu/mainstreet) or contact Rae Montgomery at (612) 624-2773, [rmontgomery@extension.umn.edu](mailto:rmontgomery@extension.umn.edu) (27).

Washington State University also has a website that offers resources for farmers wanting to market their products. The website provides information on the pros and cons of Internet marketing, tips for success, links to other farmers'

sites, resource lists for more information, and a glossary of Internet terms. The site location is <http://king.wsu.edu/Ag/internetmarketing.htm> (28).

### Catering Events or Hog Roasts

Kalton Bauman in east central Wisconsin has a 400-acre farm with pheasants, hogs, chickens, and beef. Formerly a farrow-to-finish operation with 75 sows, the farm now has only 15 sows. Bauman is striving to produce only the number of hogs needed for his direct marketing. The Baumans do catering of livestock produced on the farm and direct market chicken, pork, and beef. As the article in *Acres U.S.A.* explained, "Caterers are many in today's convenience-driven society, but few can attest to being farm-direct as the Baumans. The Baumans built, at a total cost of \$7000, four cooker-roaster trailer units, constructed out of former 275-gallon fuel containers." The Baumans cater many different events during the summer. "Pork is not the only meat offered by this catering service; they also offer homegrown chicken. The usual offering is three-quarters pork and one-quarter chicken.

Bauman notes that a considerable number of people for dietary, religious, or health concerns do not eat pork, while most eat chicken." There are licenses and insurance considerations to meet in order to cater, but Bauman hasn't had any problems following the regulations. As he explains, "Most state inspectors are good people and are only trying to do their jobs in order to protect the public" (29).

### SUMMARY

A sustainable hog production and marketing system should be the goal of all small-scale hog producers. Consumers are willing to buy pork produced by alternative, sustainable methods on small family farms. As Mark Honeyman says, "Alternative systems are pig friendly, people friendly, community friendly, and environmentally friendly" (7). Sustainable farming involves the whole farming environment, both production and marketing, and sees itself as a part of the local community.

Direct marketing and niche markets are some alternative marketing options that need to be considered by all sustainable hog producers. If you care enough about the way you raise your hogs and do it in an alternative humane system, you need to be rewarded both financially and emotionally. Even if you don't want to market in farmers markets, farm meat stores, or other direct marketing strategies, there are now some alternative marketing groups such as Niman Ranch Pork Company and Organic Valley Family of Farms. More of these marketing groups have formed recently and one may be near your locality.

It is not possible to cover all of the alternative marketing practices being used by hog producers throughout the United States. For additional information on any subject mentioned in this publication, or for information on any other aspect of alternative marketing of pork, please call ATTRA again.

## SOURCES OF FURTHER INFORMATION

Neil Hamilton, at the Agricultural Law Center at Drake University in Ames, Iowa, will have the 240-page book *The Legal Guide for Direct Farm Marketing* available in July 1999. Developed under a grant from the North Central SARE program, the guide will contain some information specifically on farm marketing meat. The cost of the book will be \$20 including shipping. The guide can be ordered from:

Drake University Law School  
Ag. Law Center  
2507 University Avenue  
Des Moines, IA 50311-4505  
(515) 271-2947

The National Pork Producers Council (NPPC) has a website and message board for niche marketing and value-added processing of pork. The Niche Market Place message board is an excellent question and answer source for all aspects of niche and value-added marketing activities. The site is located at <http://www.nppc.org/niche/nichemenu.html>. If you have any questions you can also contact Jeff Ward at (515) 223-2633.

*Front End Guidance for Value-Added Networks* is a 79-page loose-leaf notebook available from NPPC that provides an introduction to the type of information you need to collect to serve a given market. The notebook provides an in-depth analysis of marketing pork to the Mexican consumer, but also acts as a guide for how to address other ethnic markets and niches. The notebook is available for \$50.00 from NPPC at:

National Pork Producers Council  
PO Box 10383  
Des Moines, IA 50306  
(515) 223-2600; Fax: (515) 223-2646  
E-mail: [pork@nppc.com](mailto:pork@nppc.com)

The NPPC is also in the process of compiling a resource manual of issues that need to be addressed when direct marketing or selling under a private label. The manual will also contain state, federal, and private resources to call for assistance. The manual should be available by the end of June 1999. Contact Jeff Ward for additional information and cost.

The Center for Rural Affairs, an unaffiliated non-profit organization in Nebraska, has been serving and advocating for America's family farm and rural communities for 25 years. They are committed to building communities that stand for social justice, economic opportunity, and environmental stewardship. Their monthly *Center for Rural Affairs Newsletter* covers issues important to agriculture and rural communities. One of their publications dealing with marketing is:

*Emerging Markets for Family Farms:  
Opportunities to Prosper Through Social and  
Environmental Responsibility*

The 1997 report presents strategies for farmers to market high value products. It contains results from a national survey describing what it takes to be successful, barriers to overcome, products with the greatest potential, and how to develop markets. 45 pp. #V1, \$7.00

Center for Rural Affairs  
101 S. Tallman Street  
PO Box 406

Walthill, NE 68067  
(402) 846-5428; Fax: (402) 846-5420  
Email: [info@cfra.org](mailto:info@cfra.org)  
Website: <http://www.cfra.org>

*Making It On the Farm: Increasing Sustainability Through Value-added Processing and Marketing* is a 1996 publication—prepared by Southern Sustainable Agriculture Working Group (SSAWG)—that tells stories about 12 farmers involved in value-added marketing. One of the stories is about Clarence Durham, a hog farmer in Pittsboro, North Carolina, who barbecues 3 or 4 hogs a month for sale by the pound to individuals, as well as selling sausage in 5-pound bulk packages. Durham says, "we could probably sell a lot more sausage and barbecue—probably 2 hogs a week of each," but it is a lot of work and he and his wife are supposedly retired (30). For more information about Durham's operation, additional information about the 10 keys to success that emerged from these interviews, and listing of resources for adding value to farm products, order a copy for \$12 (shipping and handling included) from:

SSAWG Publications  
PO Box 324  
Elkins, AR 72727  
(501) 587-0888

The 1998 guidebook *Adding Value for Sustainability Guidebook* may also be of interest. The guidebook outlines the struggles, opportunities, and lessons learned by four successful processors. Food safety, financing, marketing, product development, and legal issues are presented. The guidebook is available for \$8.50 plus \$3 shipping from:

Pennsylvania Association for Sustainable  
Agriculture Adding Value  
PO Box 419  
Millheim, PA 16854  
(814) 349-9856

The 1996 *Direct Marketing Resource Notebook* has over 100 pages of information on examples of farmers' direct marketing activities and provides contacts for state and federal marketing regulations on the Midwestern states as well as other resources. The Midwest Sustainable

Agriculture Working Group funded the notebook. The cost is \$20 from:

Nebraska Sustainable Ag Society  
PO Box 736  
Hartington, NE 68739  
(402) 846-5428

Starting in 1999, the USDA's Agricultural Marketing Service (AMS) has announced a plan to help small farmers sell their agricultural products directly to consumers. The "Farmer Direct Marketing Action Plan is available from Errol Bragg at (202) 720-8317 or at <http://www.ams.usda.gov/directmarketing/frmplan.htm>.

Within the next three years, the AMS will create new direct marketing networks and a one-stop information clearinghouse, as well as developing training and information programs for farmers market managers, and small farmers (31).

The USDA's Farmer Direct Marketing web page has a national directory of farmers markets, list of upcoming conferences, a direct market newsletter and resources by state. The web site is <http://www.ams.usda.gov/directmarketing>.

In March 1999, the Cooperative Development Services published a 76-page directory entitled *Upper Midwest Organic Livestock Producers Directory* available. It is intended for livestock producers in Iowa, Minnesota, North and South Dakota, and Wisconsin. The Directory contains contact names, addresses and phone numbers for meat processing facilities, certification agencies, producer cooperatives, publications, etc. Order for \$5 (shipping and handling included) from Cooperative Development Services. Call for their complete publication list.

Cooperative Development Services  
30 West Mifflin Street, Suite 401  
Madison, WI 53703  
(608) 258-4396; Fax: (608) 258-4394  
E-mail: [darcylk@inxpress.net](mailto:darcylk@inxpress.net)

The non-profit law center, Farmers Legal Action Group (FLAG), mission is to provide legal services to family farmers and their rural communities in order to help keep family farmers

on the land. FLAG provides an extensive array of legal services nationwide. In July and August, 1999, FLAG is publishing a series of booklets discussing some important legal issues that face Minnesota farmers seeking to develop an agricultural processing or marketing business. The booklets include: 1) Introductory Issues, 2) Choice of Business Entity, 3) Cooperatives, 4) Corporations, 5) Partnerships, 6) Limited Liability Companies, 7) Owner Agreements, 8) Employment, 9) Direct Marketing, and 10) Minnesota Financial and Technical Resources. The Booklets 2, 4, 5, 6, and 9 will be available in July, 1999; the rest will be available in August, 1999. While these booklets are specific to Minnesota, the booklets offer useful information to the new entrepreneur. Call for prices:

Farmers' Legal Action Group  
46 East 4th Street, Suite 1301  
St. Paul, MN 55101  
(651) 223-5400  
Website: [www.Flaginc.org](http://www.Flaginc.org)

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- Niman Ranch Pork Company  
2228 Eagle Avenue  
Thornton, IA 50479  
(515) 998-2683
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Lindsay Howerton, Marketing Coordinator  
1108 Rangeline Street  
Columbia, MO 65201  
(573) 449-1336; Fax: (573) 442-5716
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Director of Berkshire Gold  
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Bloomington, IL 61701  
(309) 829-8645  
E-mail: [ddunphy@att.net](mailto:ddunphy@att.net)
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Stop 3250  
Washington, DC 20250-3250  
(202) 720-7558; Fax: (202) 720-4641  
E-mail: [coopinfo@rurdev.usda.gov](mailto:coopinfo@rurdev.usda.gov)  
Website: <http://www.rurdev.usda.gov>
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Small/Very Small Plant Coordination Office  
Food Safety and Inspection Service  
U.S. Dept. of Agriculture  
Room 202, Annex Bldg. 300, 12th St, SW  
Washington, DC 20250-3700  
(202) 720-3219 or (202) 205-0619;  
Fax: (202) 690-08924
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The electronic version of *Alternative Marketing of Pork* is located at:  
<http://www.attra.org/attra-pub/altpork.html>

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