
FEASIBILITY REPORT
FOR
THE NORTHWEST GOAT MEAT PRODUCERS
GOAT MEAT MARKETING IN THE PACIFIC NORTHWEST
OPPORTUNITIES
AND
CHALLENGES
2005

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1. OVERVIEW

The Northwest Cooperative Development Center (NWCDC) in Olympia, Washington produced this report for the Northwest Meat Goat Producers (NWMGP).¹ The NWMGP, based in Washington and Oregon, wishes to expand the scale and profitability of their goat meat enterprises. This feasibility study investigates the existing supply chain, existing and potential markets, and shows how goat farmers can profitably service these markets. This report is the result of research undertaken in early 2005 by NWCDC to study the viability and feasibility of cooperatively marketing goat meat.

1.1. Executive Summary

It is assumed that the primary audience of this feasibility study will be small-scale goat producers. One of the main goals of the report is to provide a “snapshot” of the industry for small scale goat farming. In a chaotic and disorganized market such as that of goat meat, it is difficult to grasp the big picture. Ideally, this study will provide a decision-making tool to help guide future planning activities for the goat producers the Center has been working with.

Goat meat producers deserve to achieve greater profitability if they choose to do so. This report is designed to assist them in that process by providing an overview of the industry. The study outlines major points about supply, demand and processing, and this information should be used to make more informed decisions about next steps to be taken. At the end of the study, recommendations have been made. These need to be carefully considered because they could influence the future of the goat meat industry in the Pacific Northwest.

It is the determination of this study that the regional market in the Pacific Northwest is vast for goat meat and that the demand will only increase. Even in spite of imports driving down the floor price of domestic meat, opportunities do exist and the future outlook is even more promising. Based on the research completed for this study, the Center believes that a cooperatively based business model would assist the profitability needs, training needs and marketing needs for the regional goat producers. Whether the producers decide to start-up or join a pre-existing association or co-op, there are some very real challenges that will need to be addressed.

1.2. Method

An initial meeting with goat producers interested in forming a goat meat cooperative was held to clarify the overall aims, scope and potential of the study. Tasks were identified and responsibilities assigned. Two surveys were then compiled, one for the buyers/consumers and another for suppliers/producers.² Both were completed using an online survey tool, www.surveymonkey.com. The results were analyzed and for verification were compared with existing research; inconsistencies were clarified and explained.³

¹ See Appendix II; About NWCDC

² See Appendix IV and V, the paper versions of the online surveys

³The results of the surveys can be found on the web at:

http://www.nwcdc.coop/projects_files/nmgp/Summary4Consumers.html and

http://www.nwcdc.coop/projects_files/nmgp/Summary4Producers.html. These results were then reviewed with the NWMGP president and Susan Kerr, the goat expert with the WSU Extension Agency

NWCDC staff gathered the information on the market side by making telephone contact with a range of wholesalers, retail stores, meat markets, and slaughter facilities in the metropolitan areas of Seattle and Portland, along the I-5 corridor and in the Yakima Valley of Washington State. Regular staff meetings of the research team were held to share information allowing us to be proactive in our research. Preliminary results led us to focus on the Hispanic, halal, and African/Caribbean markets to measure their characteristics and potential.

Northwest Goat Meat Producers administered the supply survey, which was designed to look at current livestock numbers and future plans, as well as existing sales figures, buyers and prices. Also included were questions on farm management and husbandry so any future training needs could be identified and incorporated into the plan.

1.3. Introduction

Goats, one of the world's smallest domesticated livestock, have been actively managed for food and fiber earlier and longer than cattle and sheep. Goats can survive on bushes, trees, desert scrub, and vegetation that sheep and cattle are not able to consume. This dietary versatility and adaptability combined with a hardy constitution is what makes goats a primary livestock animal for most of the world.

Goat meat, frequently marketed as "Chevon," is one of the world's most widely consumed red meats. Goat farming is of increasing economic importance, and goat farmers manage their livestock for the production of milk, wool, and meat. However, goat meat production in the United States is currently practiced on such a small scale that it is not able to meet customer demand.

Goats are often kept as supplementary animals by smaller livestock holders, whereas they have the potential to provide substantial income. Goats are valuable to other stockmen in the fight against brush encroachment on open range land or to clean up pastures of undesirable weeds. Goats easily co-exist in pastures with most other ruminants, such as cows and horses.

1.3.1. Cultural Consumption

In many other countries goats are a component of the normal diet, and consequently the meat of choice for many immigrant populations in the United States. Goat meat is consumed on a regular basis for cultural, religious, and health reasons; although the majority of consumption is culturally limited to specific ethnic groups.

There are a growing number of immigrants in the United States from the Middle East, Latin America, Africa, and Asia whose first choice for animal protein is goat meat.⁴ Currently the demand in meat markets and restaurants is supplied through imports of feral goat meat from New Zealand, Australia, and Mexico. The U.S. currently imports more goat meat than any country in the world, as the demand far exceeds what is being produced nationally.⁵ The Pacific Northwest is no exception to this national norm.

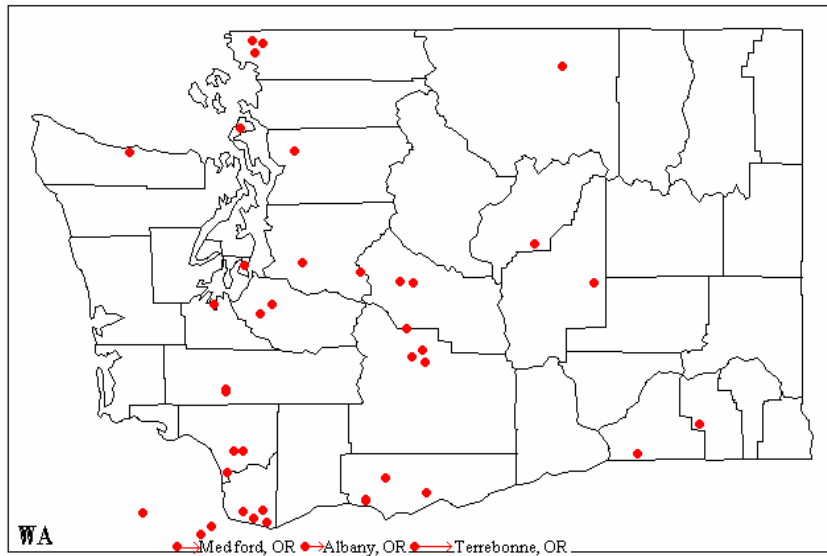
⁴ US Census Bureau projected immigration is more than 1.5 million people per annum, <http://www.census.gov/population>, June 14, 2005.

⁵ Machen, Dr. Rick. "U.S. Goat Production Remains Far Behind Demand for Meat."

1.3.2. The Goat Meat Producers

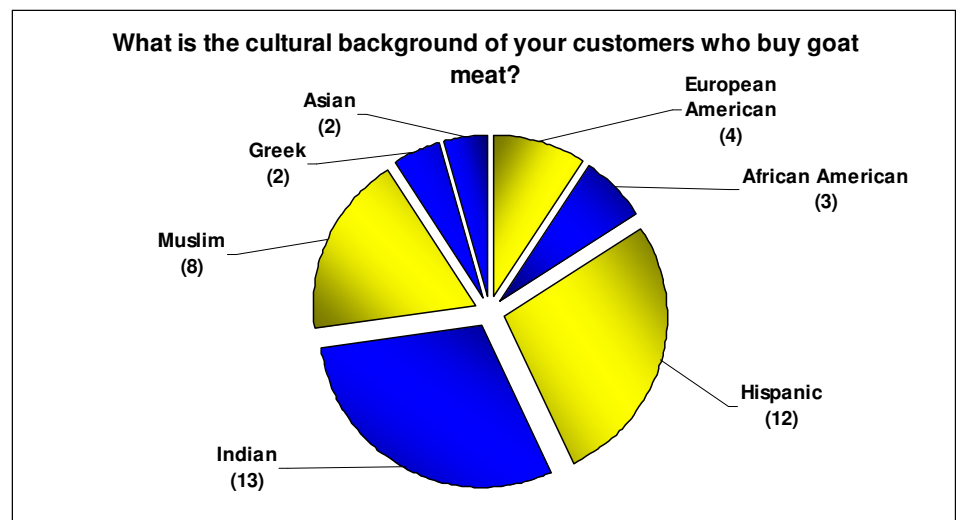
Based on our research, it is our assumption that the goat meat producers in the Pacific Northwest are mostly small farmers and landowners. They raise goats part-time and/or enjoy doing it as a hobby. In most cases, the goat farms are financed by some other means of income. The land being farmed is often marginal and unsuitable to any other farming activity.

This map represents the surveyed locations of goat meat producers throughout Washington State.



2. DEMAND

Preliminary results from telephone surveys and networking with other groups around the country reflected that regular goat meat consumption in the target study area was primarily within the Hispanic, halal, and African/Caribbean communities (the demographic definition for these groups is below).⁶ Other than a



⁶ Please refer to the results of the survey online at http://www.nwcdc.coop/projects_files/nmgp/Summary4Consumers.html

slight demand for goat meat from well travelled, wealthy European Americans, we found very little evidence of demand outside these communities.

The survey team focused on existing consumption and sales outlets within the supply chains of the identified market segments.⁷ Information acquired was compiled and analyzed, examining the halal, Hispanic, African and Caribbean demographics. These markets were segmented because their consumption patterns and buying styles were distinct. Each group had specific cultural, social, or religious reasons for using goat meat and these reasons were sometimes linked.

To effectively service these markets and to use that information to the producers' advantage, it is imperative for goat meat producers to:

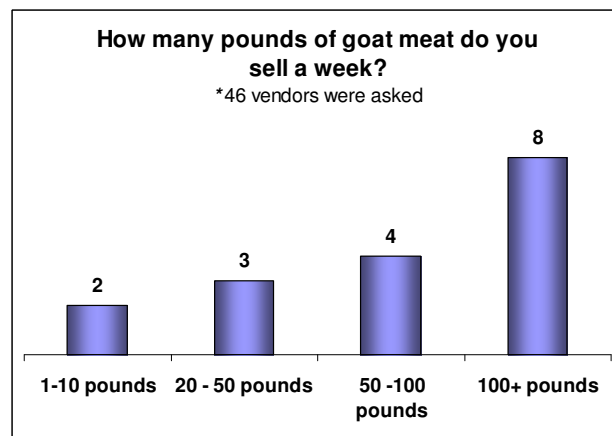
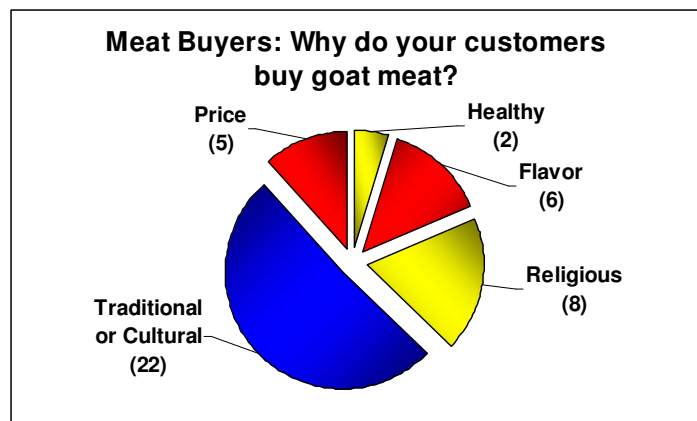
- Understand what motivates different customers to buy goat meat
- Investigate if and how existing buying patterns are linked.
- Examine seasonality of demand and how to mitigate it with production management
- Examine how consumers are currently being supplied through retail and wholesale suppliers
- Understand the legal and health challenges in bringing a product to market
- Anticipate the outcomes of consistent undersupply to the customer base over time
- Conduct husbandry and business practices that can produce a profit

2.1. Market Overview

The NWCDC team contacted a comprehensive list of 46 likely retailers, wholesalers, and restaurants. The market questionnaire covered existing supply, customer base, seasonality, and price.⁸ Prior research projects, such as the WSU Extension surveys and Ohio Co-op Development Center's study, were compared to identify trends and variances.

The chart above, "Meat Buyers: Why do your customers buy goat meat?," demonstrates the reasons existing customers buy goat meat. The primary reason people purchase and consume goat meat is because of traditional or cultural considerations.

In the chart, "How many pounds of goat meat do you sell a week?," it is shown



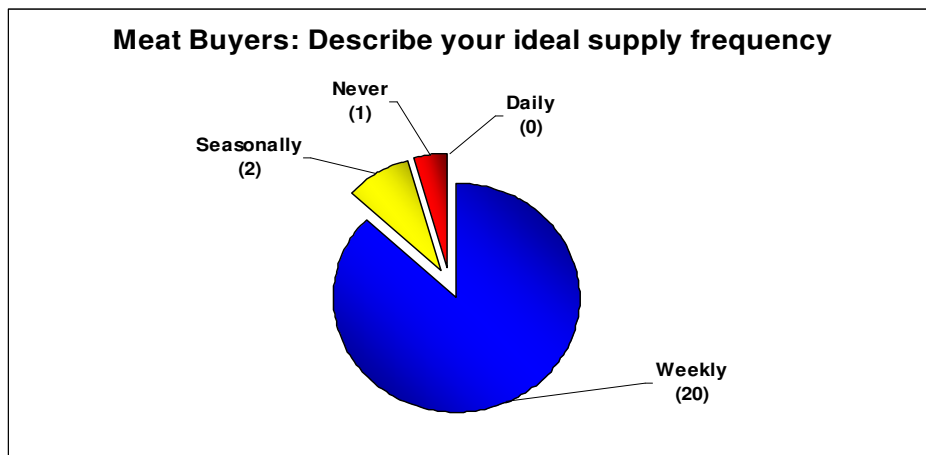
⁷ Here "supply chain" is defined as "The network created amongst different companies producing, handling, and/or distributing a specific product." Definition taken from www.answers.com

⁸ See Appendix III

that even though less than half of the vendors asked did not sell any goat meat, those who did sold a considerable amount.

Of the meat markets and stores that sold goat meat, 79% purchased frozen, imported goat meat. Although this fact may be perceived as a negative aspect of the goat meat market; there are many other factors that lead us to believe that opportunities do exist for domestic goat farmers. Primarily, the sheer quantity of goat being consumed demonstrates that the market could not be easily saturated.

As the chart titled “Meat Buyers: Describe your ideal supply frequency” overwhelmingly demonstrates, buyers which bought goat meat, did so on a weekly basis. Retail and wholesale buyers of goat and goat



carcass meat require goats to be available weekly every month of the year. Any attempt to market collectively must make consistency a structural part of the plan.

Key finding: *Regular, consistent supply is what the market demands.*

2.1.1. Ethnicity

It is no secret that the majority of European-Americans eat very little goat meat. The U.S. is one of a few countries that can support large scale cattle operations and subsequently beef is one of the American meats of choice due to cultural norms. The majority of goat meat consumption is confined to immigrant populations who come from countries in which goat meat consumption is culturally common. Despite cultural differences, the majority of goat meat producers are European-Americans attempting to service a primarily ethnic market. In order to directly supply the ethnic markets, an awareness of custom meat laws is critical for producers.⁹

Below are some of the challenges that goat producers and marketers need to keep in mind:

- Dietary preferences are not hereditary, they are cultural; second generation immigrants are as likely to eat pizza and hamburgers as they are to eat ethnic dishes.¹⁰
- Special attention is required to understand the timing of holidays and the specific slaughter and handling requirements for each group.
- Due to economic factors, some immigrant groups prioritize the price of goat meat over its quality.
- Depending on the relative price between fresh goat and other meat, consumers substitute another meat for goat.

⁹ <http://agr.wa.gov/FoodAnimal/CustomMeats/LawsRules.htm> and <http://agr.wa.gov/FoodAnimal/CustomMeats/default.htm>

¹⁰ Morrison, “A market for meat goats?”

- Increasing disposable income means that immigrants often develop the consumption patterns of the host country.

2.1.2. Geography

Due to the clustering of immigration patterns, target areas were identified for the goat meat market. As metropolitan Seattle and Tacoma tend to have a more diverse demographic, they were a focus for the halal market. Several counties in rural Washington are 50% Hispanic composition. These regions were the logical choice to research goat consumption.

The following is a breakdown of these regions:

- **Portland, OR and Vancouver, WA**

There is a strong market in this area for goat meat. Respondents preferred buying fresh and locally produced meat over what they currently buy, i.e. cut and frozen meat from Australia. Some ethnic stores contacted would like a local source for fresh meat. See chart below on page 13 in section 2.2.2. Halal Market titled “Location of Muslim Community...”

- **Rural OR**

These areas have a strong, but undersupplied Hispanic market. See map below on page 10 in section 2.2.1. Hispanic Market titled “Percents of Persons Who are Hispanic.”

- **Seattle and Tacoma, WA**

There is a strong market in this area for goat meat, with a mixed clientele of Muslims, Asians and Hispanics. The meat currently being sold is primarily imported and frozen. One wholesaler respondent sells fresh goat meat to restaurants, Mexican taquerias and direct to consumers. Some customers will buy a whole goat directly from the farm to cook underground. The average wholesale quantity sold from the respondents was 50 pounds per week with 20 to 50 animals per week. See chart below on page 13 in section 2.2.2. Halal Market titled “Location of Muslim Community...”

- **Yakima Valley, WA**

This area had significant demand, almost entirely from the Hispanic population. Our research findings are remarkably similar to what was found in the area in 2000 and 2003 by the WSU Cooperative Extension.¹¹ See map below in on page 10 in section 2.2.1. Hispanic Market titled “Percents of Persons Who are Hispanic.”

2.2. Market Segments in the Northwest

Regional distribution of goats slaughtered in the United States is not uniform. Slaughter data from the National Agricultural Statistics Services (NASS) and data on USDA inspected facilities for each state is no longer available due to disclosure issues.

¹¹ Kerr, Susan, WSU Cooperative Extension, 2000. See Appendix VII

Most meat slaughtered in the Northwest is being processed in state inspected plants, custom meat facilities, or on the farm by mobile slaughter facilities, and these numbers cannot be quantified. Legally, this meat can only be sold directly to the end consumer.¹²

The demand for goat meat is year-round with additional demand on holidays. Many goat producers have cited Easter, Muslim holidays, Independence Day, and Christmas as periods of peak demand for goat meat. The “*cabrito*” (the Spanish term for young goat) market of the Hispanics provides a year-round market for kids. However, only Easter is substantiated as a peak demand using the NASS weekly data in federally inspected plants. The data show that the number of goats slaughtered doubles two weeks before Easter. The increased demand for goat meat at Easter is predominately attributed to the "Easter kid" market.

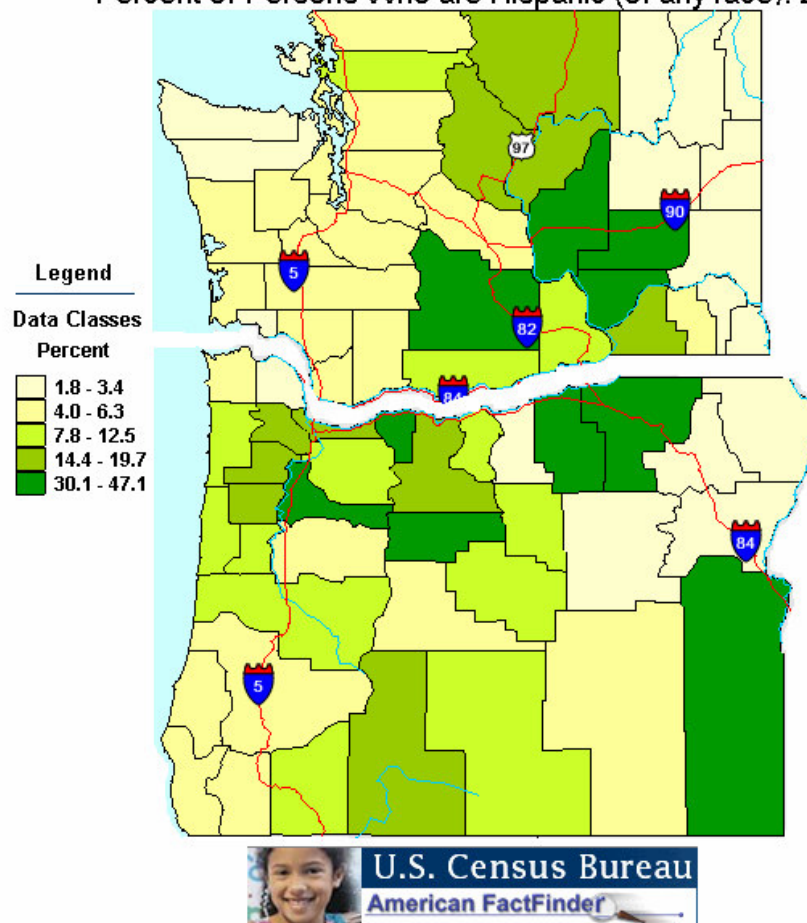
2.2.1. Hispanic Market

Respondents in Mexican meat markets said they expect some growth in demand for goat meat, particularly from the Hispanic population. Sales to that group are every weekend, especially in summer for family barbeques. They sell an average of 50 to 100 pounds per week per store. One Mexican meat market owner says he sells goat meat to restaurants and other meat markets, in addition to directly to consumers.

Hispanic stores are buying an average of 100 or more pounds per week which can increase to 300 to 400 pounds per week in summer and over holidays. Overall price was lower at \$1.25-\$1.89 wholesale and \$2.00-\$3.29 retail.

All meat was Australian in origin; retailers prefer to handle the frozen product because it is inexpensive, pre-cut, readily available and easily stored. Nevertheless, there is interest in promoting local fresh meat. The Yakima valley was the only area in which Hispanic consumers had access to farm gate meat.

Percent of Persons Who are Hispanic (of any race): 2000



¹² See Washington state regulations in Appendix VIII

The Hispanic market has different preferences as to the carcass type and weight. Hispanics prefer young kids, cabrito, weighing 15 to 25 pounds live weight or young goats that yield a 25 pound carcass, approximately 50 pounds live weight.

In our research, it was identified that there are restaurants in the Seattle and Portland area that serve goat on a regular basis.

Currently, most retail vendors purchase meat weekly. The reasons cited for customers buying goat meat are traditional, cultural and enjoyment of the flavor. Hispanics generally prefer meat 'on the bone' for stronger flavor. The seasonal market for Hispanics is Christmas and other holidays, but also summer and weekends for barbeques.

Some respondents do not anticipate major growth in the Hispanic market because the demand is low compared with other meat and is also seasonal. Price is perceived as too high; supply of fresh meat is unavailable or inconsistent, making it difficult for retailers to make a profit.

Size and Future of the Market

Currently, the Hispanic population in the Northwest is roughly 800,000 people, 600,000 of whom are of Mexican origin. The map above explains the population density of Hispanics in the area. Immigration and population growth in the Northwest is projected at approximately 80,000 additional Hispanic customers by 2010.¹³

Challenges with this Hispanic market include:

- Increasing the price may put the product out of the financial reach of existing customers.
- There is little profit in the sale of goat meat for those who currently sell it; it is often sold as a "loss leader."¹⁴
- Second generation immigrants tend to gravitate away from 'ethnic' foods.

Summary:

- Goat is a lower demand product than other meats.
- There appears to be a niche market for goat meat within the Hispanic communities of the areas surveyed, but it is still seasonal (holidays, weekends, and summer barbeques).
- Shop owners agreed the market might improve if buyers have a local source for fresh goat meat.
- The Portland metropolitan area seems to have the best market, with larger numbers of Hispanic customers.
- The Yakima Valley consists of a high percentage of Hispanic individuals. Depending on transportation issues, it could be a lucrative targeted regional market.
- The restaurant market is not broad enough yet to support many sales.

¹³ US Census projected immigration, projected population growth by state, April 2005.

¹⁴ Here the term "loss leader" is defined as a product used to "draw customers into a store where they are likely to buy other goods. The vendor expects that the typical customer will purchase other items at the same time as the loss leader and that the profit made on these items will be such that an overall profit is generated for the vendor." Definition taken from <http://en.wikipedia.org>

Key Finding: It is expected that the market for goat meat will increase as the Hispanic population increases.

2.2.2. Halal Market

Definition

Halal is a term used to describe something that is lawful according to the Muslim faith. More devout Muslims are likely to eat only halal food, while a large number may pay little attention to keeping halal, except at religious gatherings and during holidays. The majority of Muslims living in a secular society like the United States are likely to fall somewhere between these opposites. It is beyond the scope of this report to determine the distribution of Muslims along this spectrum.

Certain requirements must be met for meat to be considered halal, including:¹⁵

- The slaughterer must be under the close and constant supervision of a Halal Certifier.
- The premises, machinery, and equipment must be cleansed according to Islamic Sharia (law) before any production takes place.
- The slaughterer must be a mature and pious Muslim of sound mind who understands the fundamentals and conditions relating to halal slaughter and be approved by the religious authorities.
- Only acceptable live animals and birds can be slaughtered.
- The slaughter must be done manually using a stainless steel knife.
- Facilities must be available for rinsing the knife after each kill.
- The slaughterer must sever the respiratory tract, esophagus, and jugular vein.
- The animal must be completely dead before skinning takes place.
- The premises, machinery and equipment are cleansed according to Islamic law before any production takes place.

One possible complication that we have encountered is that USDA regulations require stunning the animal, which is contrary to halal. USDA can offer religious exemptions.

Halal Meat

Key point: Goat meat is consumed because of cultural reasons rather than religious reasons.

In other words, people who eat goat meat do not do so because it is halal, they eat halal meat because they are Muslim and eat goat because it is the traditional norm of the geographic region in which they were raised.

While Muslims prefer halal meat, halal meat preference varies greatly among ethnic groups. Primarily Muslims from Northern Africa, East Africa, and South Asia eat goat meat. The local nature of immigrant populations create a complex mosaic whose consumption patterns merit a specific study. Our research concludes that goat meat is popular among Muslims from Africa, and South Asia, while Middle Eastern and Southeast Asian Muslims seem to have little interest in it.

¹⁵ <http://www.cse.unsw.edu.au/~waleed/isoc/hh/guidelin.htm>.

The most important question for goat meat producers wishing to supply this market is how and by whom the animal is slaughtered.

There are two main ways in which Muslims determine if meat is halal. One is a halal certification stamp. There are 40 to 60 organizations in the U.S. that can certify halal meat; internationally, 2 to 3 million dollars a year are made off the halal stamp.¹⁶ This certification is not yet available in the Northwest. The other method of determining if meat is halal is based on the personal reputation of the slaughterer as a Muslim. This is the basis for determination of fresh halal meat in the Northwest.

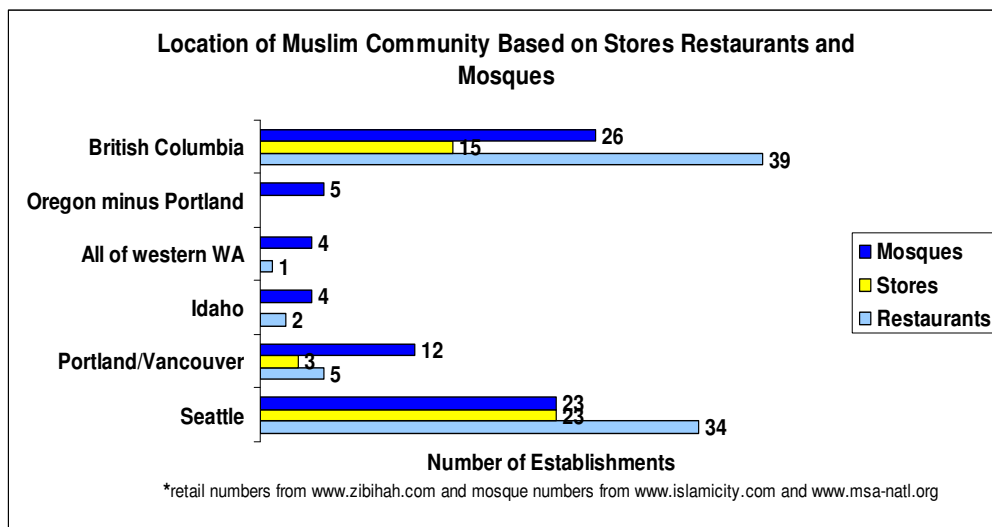
An informal, yet crucially important volunteer peer reviewer's process is in place in which an intricate communication network verifies the meat as halal. In all cases, the responsibility is on each individual Muslim to verify the halal practices of those who provide their meat. A Muslim meat market will only supply meat to halal consumers if he can vouch for the slaughterer's status.

Respondents consistently indicated that the faith of the person who raises the meat is not important as long as the animals are raised in relatively natural conditions, and a Muslim of good standing carries out the slaughter. Therefore, this does not appear to be a closed market.

Location of the Halal Market

Of the two major metropolitan regions in our study area, Seattle had the bulk of the Muslim population. The market outlets in Seattle for halal products are also quite large, with 34 restaurants and 23 stores listed. While there are 12 mosques located in the Portland/Vancouver area, there are relatively few halal businesses: five restaurants and three stores.

This concentration of outlets will make it easy to serve the halal market. A halal slaughter facility identified in south Seattle, Crescent Meats, has a capacity of up to 1,600 animals per day and they attest to a demand of 20,000 halal animals per day. The future of the Crescent Custom



Meats facility is unknown. The Center contacted the current owner and he is in the process of accepting bids for the sale of the facility. It highlights the fact that any potential co-op's dependence upon one slaughter facility is risky should that facility unexpectedly close.

¹⁶ "What Muslim Countries Are Eating?" <http://www.soundvision.com/info/halalhealthy/halal.cuntries.asp>

Muslim populations in Idaho, eastern Washington, and Oregon's I-5 corridor south of Portland do not appear to be of sufficient size to warrant development of processing facilities. While there may be some incidental sales in this area, it seems unlikely that there is a sufficient halal market to make it attractive.

Market Size

Exact halal market size is difficult to determine for several reasons. First, the Census is prohibited from determining religious preferences; estimates range from 1.8 million to 5 million.¹⁷ Second, a wide spectrum of dietary preferences is exhibited among Muslims (i.e. some keep strictly halal, others only during holidays and some even more rarely).

- Our contacts revealed a market that is chaotic and still developing, but interested in new sources and additional supply of goat meat, especially fresh meat.
- There is a hungry market for fresh halal meat in the Seattle-Tacoma area. Stores carry mostly meat which is imported, frozen, and halal certified. Many Muslim/halal stores do not carry meat at all because of supply constraints, or do so only to fulfill special orders.
 - One store in Seattle, with clear links to slaughtering, goes through 100 carcasses a week.
 - Eight stores in the Seattle-Tacoma area carried goat meat, with six using up to 100 pounds of meat per week.
- In Portland, however, fresh seems to be the norm, as the highest-volume retail outlets for halal goat meat do their own slaughter, using 2,000 goats per year (38.5 goats/week).
- The halal market is large enough and is in concentrated locations to be serviced by meat producers.

Special Characteristics of the Halal Market

There are two main supply channels for halal goat meat. The first is imported frozen meat, which is the most common store-bought halal goat meat in the Seattle-Tacoma area. Stores that carried goat meat were interested in expanding their sales and were open to other sources, provided the price was right. Currently the wholesale price for frozen halal meat is unstable, but most reported it in the \$2.00-\$2.50 range. Buyers viewed the price as too expensive which results in many stores selling goat as a loss leader.

Presently, there is a sizable and chaotic market for fresh meat, and for live animals to be slaughtered by the end-user or in the presence of the end-user. In addition to cultural preferences, there are certain Muslim holidays in which conducting one's own slaughter is strongly preferred. In the past, an informal network of farms served this market; this market was then serviced by Crescent Custom Meats and has not regained its previous stature.

Customers sometimes purchase a goat from the farm—some bring their own goat—and wait for it to be slaughtered.

¹⁷ Pipes, Daniel. "How Many U.S. Muslims?"

Institutional Wholesale

In addition to wholesaling to the retail market and restaurants, a strong wholesale market exists for halal meat to hospitals, prisons and corporate cafeterias. This market was being supplied by an Oregon wholesaler, but due to the lack of regular supply, this market was lost.

Type of Carcass

Muslims tend to prefer a lean but slightly heavier carcass in the 35 pound range. Some Muslims also prefer a carcass with its head intact, so they know it has been slaughtered according to halal requirements. This presents no problem for sheep, which are typically hornless, but is a problem for goats, which are naturally horned. Federal inspection regulations require that the carcass be dehorned before slaughter. If the horns are not taken off properly, the carcass can be contaminated and therefore condemned. Processors feel that dehorning a carcass does not warrant the time and effort required, and generally remove goat heads.

Muslim Calendar

The Islamic calendar is a lunar calendar and dates are therefore not fixed.¹⁸ Eid-al-Fitr and Eid-al-Adha are two major Islamic festivals in which sheep and goat meat play an important role. Eid-al-Fitr is the festival of the breaking of the month-long fast of Ramadan. Muslims are required to fast from sunrise until sunset during Ramadan. Fasting requirements vary, but generally a strict Muslim may not eat or drink during daylight hours. After sunset, food and drink are allowed. The breaking of the month-long fast is celebrated with a lavish feast of beef, mutton, and goat meat. The preference is for dishes prepared with mutton and goat. On this feast day, every male head-of-household is required to slaughter a fatted ram, but a goat may be substituted.

2.2.3. The African and Caribbean Market

A key factor to keep in mind for the African and Caribbean markets is that the preference for consuming goat meat is primarily for traditional and cultural reasons. One of the identifying indicators is the region of Africa from which consumers originated.

Our research shows that goat meat is the preferred meat of immigrants living in the Northwest who were born in Sub-Saharan Africa or in the Caribbean.¹⁹ These populations are mostly in the Portland and Seattle metropolitan areas. A strong market for goat meat exists, with six African stores in south and west Seattle and four in the Portland metropolitan area. Research elsewhere confirms this market.²⁰

A high percentage of the African community are also Muslim, so the halal requirement could apply to them. According to the CIA World Factbook, North Africa ranges from 70% to 100%

¹⁸ Ramadan starts October 5, 2005 and September 24, 2006. Eid-al-Adha, breaking the Ramadan fast, will be November 4, 2005 and October 24, 2006.

¹⁹ US Census Bureau, Populations 2000: 28,660 people in WA and 12,200 people in OR.

²⁰ Ohio Cooperative Development Center, *Meat Goat Market Analysis A Pilot Study of the Somali market in Columbus, Ohio*, November 2003 and *Meat Goat Project Market Analysis of Ethnic Market in Ohio*, June 2003; Langston University Georgia, *Demand for Goat Meat and Implications for the Future of the Industry*, 2000.

Muslim, while other parts of Africa can average as low as 2% to 5%.²¹ All stores contacted sell the frozen, halal, imported meat because of its convenience, but have fresh meat available for special order.

African individuals and community groups interviewed preferred fresh goat meat. It is currently available to them through an informal network of agents who buy on-farm and arrange for slaughter. The animal is prepared in a particular way for the African consumer; the hair is burned and the carcass is sectioned into large pieces with the skin left on.²² The animal is selected on the farm, priced between \$60 and \$100, and then taken away for slaughter with a cost of \$20 for killing, cutting, and refrigeration. The resulting meat, approximately 25 pounds, is taken by one family and frozen.

Similarly, those from the Caribbean, especially Haitians and Jamaicans, prefer mature bucks from which they prepare goat's head soup and other dishes reported to have aphrodisiacal qualities. A popular Caribbean dish is goat curry; it requires "cubed" bone-in pieces of meat, which is often derived from older, poorly-conditioned goats. The African and Caribbean market is a very strong and viable market in the region. Currently, the chain between producer and consumer is multi-layered. Because many immigrants are low income, price is a determining factor.

2.2.4. Goat Meat; “The Healthy Option”

Apart from the ethnic markets, goat meat could potentially be marketed as a health food. A national or regional campaign would be outside the financial scope of the NWMGP, but by forming strategic alliances with health interest groups, public awareness could be raised for the product. This would have to be managed carefully, as the health benefits of goat meat would require stringent attention to quality and consistency of supply to ensure customer satisfaction and loyalty.

Eating healthy has become an important issue for marketing to the general consumer. Goat meat has an excellent, distinctly sweet flavor somewhat similar to beef and venison. The meat is lean with very limited fat marbling. It has less fat than chicken or any of the red meats commonly consumed in the United States.²³ Goats tend to deposit their fat internally before they deposit it externally and in the slaughtering process, this internal fat is removed along with the rest of the internal organs. A well conditioned goat will have a thin coating of fat over its muscles that helps keep the meat moist.

Goat meat is much lower in saturated fats than other commonly consumed meats, including skinless chicken. It has an excellent ratio of polyunsaturated to saturated fats, making it a very healthy choice of meat. The health conscious food market is very likely to increase in importance but is fraught with various challenges in the marketplace, such as quality, traceability, consumer misconceptions, and price.

A tiny market was identified for well-travelled, wealthy European-Americans who purchased goat once or twice a year on special order. The problem with this market is the short shelf life

²¹ <http://www.cia.gov/cia/publications/factbook/fields/2122.html>

²² There is a USDA conflict with burning the hair off the skin, so a religious exemption may need to be sought.

²³ Gelaye, S. and Amoah, E. A. “*Chevon and Its Production.*”

for fresh custom meat and the lack of demand. This is an underdeveloped market and it is not recommended that the group pursue developing it at this time. There is currently more than enough demand in other segments of the goat market.

Nicky USA is one of the primary wholesalers in the region and caters to specialty shops and high-end restaurants from Portland to Seattle. Based on a phone interview with Nicky USA in Portland, OR, it sells six whole fresh goat carcasses a week and over 100 pounds a week of meat in the Northwest. The sale price is \$4.39 a pound for fresh local carcasses and \$5.39 a pound for cubed frozen meat. One retailer reported customers who are willing to pay as much as \$9 per pound for quality goat meat. Obviously, there is a wide variance in this market.

2.2.5. Live Trade

Identifying purchasers of live animals was one of the chief concerns of this study. Generally producers sell to a broker, take their animals to an auction or sell them to the end user.

Brokers

Although several buyers and sellers of goats operate in the Northwest, we were only able to locate one large buyer of goats and sheep in the Northwest, Larry Jackson. Based on the information provided to us from the Oregon Meat Goat Producers and the survey of the goat meat producers in Washington and Oregon, it appears Jackson is one of the largest purchasers for off-the-farm goat sales in the region studied.

Benefits of selling to Mr. Jackson:

- His demand vastly outstrips the supply:
 - A weekly average is 40 to 70 animals; he has taken as many as 100
 - Wants to expand his current market *if he can get consistent supply*
 - Will take as few as four animals
- Convenience:
 - Comes to producers' farms, remove the animals, and handles processing
- Pays about \$1.00 to \$1.10 a pound
- Takes all classes of goats

The primary disadvantage is that once a producer has sold their animal, there is no potential for greater marketing beyond the farm gate.

One win-win strategy would be to provide a consistent and high quality supply and request a higher price.

Live Auctions and Sales to other Goat Farmers

Results from the survey show that the live auction system and other live sales are key methods for selling goats for this group of producers.

Live Auctions

Pros:

- Located close to producer and tend to be easily accessible
- Seller holds the option to sell or keep
- Competing buyers: maybe higher prices
- Diverse weights and types are saleable
- Auction yards self-promote so attract customer
- Comparative prices available in weekly USDA market report

Cons:

- Extra costs are incurred with transport and commissions
- Stress on animals; weight loss and risk of disease
- Potential for added value is lost
- Producers do not develop a direct link with the consumer
- Sale is not guaranteed

Sales to other Goat Farmers

Farmer-to-farmer sales generally occur for the following reasons:

- New goat farmers
- Breeding stock for expansions
- Stockmen for brush control
- Hobbyists
- 4-H

Adding value to the basic goat can be achieved by marketing to other goat farmers, and any growth in demand for quality breeding stock will support this market. Markets for breeding animals are specialized, requiring particular attention to bloodlines and exhibiting. The key to successful marketing is repeated buying, which can be achieved by specialist breeders.

The market for general breeding stock will not be sustained and in the long term will lead to saturation and a corresponding drop in price, as was experienced with other speciality meat animals, such as llama and ostrich.

There will continue to be a small market for goats to stockmen, for hobbyists and for the 4 H market. Features of these markets are that they are essentially local, sporadic, and undependable.

2.3. Processing

USDA Slaughter Facilities

Due to disclosure issues, the USDA has not released data for the number of goats slaughtered and the number of inspected facilities for each state since the 1990's. Recent statistics aggregated sheep and goat numbers, making it difficult to quantify actual numbers. Goats pass

through other slaughter channels, e.g. state-inspected slaughter facilities and on-farm slaughter. Data on these other slaughter channels were also unavailable or nonexistent. Slaughter numbers in the region included culls from dairy and fiber herds. All these issues together make it impossible to know exactly how many goats are slaughtered in the Northwest annually.

Four Ways to Legally Slaughter a Goat

Slaughtering can legitimately take place four different ways in the Northwest:

1. Federal plant
2. State inspected plants
3. Custom exempt
4. Mobile slaughter

Federal plants can process meat for nationwide sale and possess an important exemption for ritual slaughter, such as halal. A key aspect for these large plants is that processing in such a plant necessitates large and consistent numbers and long term business planning. In addition, this route would require a sophisticated marketing infrastructure for the meat.

State inspected plants can process any meat but it is stamped for sale only within that state. If the processing facilities are relatively close to the producers, this meat could still be fresh when it arrives to the customer.

A custom exempt category of slaughter facility exists which licenses some plants to custom slaughter, but the meat must be stamped 'not for sale'.

Finally, producers can arrange for a registered mobile slaughter and when carcasses are tagged using state Beef Slaughter Tags, they can be processed at these custom plants for the end customer. Producers can also legally slaughter the animals themselves but must then give the meat away.

Commercial Slaughterers:

Below are outlined the pros and cons of a few commercial processing options available to goat producers. A key feature of USDA inspected plants is that producers or a producer co-op can potentially maintain a "chain of custody" over the meat. This positive aspect creates a potential for value-added marketing, but it maybe a liability in that the risk accompanies this ownership

Kao Chao in Sandy, OR

It was brought to the attention of this study that many of the goat producers currently sell to Mr. Chao's plant in Sandy, OR.

Pros:

- Slaughters USDA
- Will return the meat back to the producer if requested.
- Desires a more consistent supply

- Possibility for leveraging a higher price if this supply could be guaranteed
- Pays \$0.95 a pound for animals to slaughter.

Cons:

- Does not have a broker and would like one
- Does not have a retail store but would like one
- Requires a minimum of ten goats

Midway Meats in Chehalis, WA

Although Midway does not currently process goats, it has done so previously. Midway is not currently seeking to enter into this market.

Pros:

- Price is based on size, conditioning, and type:
 - Rates were approximately \$25 to \$35 per head for 40 to 80 goats per week
 - Render charge for taking waste, hence the high price
- Can do vacuum sealing, but it is very expensive at \$0.75 a pound
- Meat plant is inspected and the meat can be sold to the public

Cons:

- Owner believes local market cannot compete with imports
- Will not do halal
- Does not deal with meat marketing
- Will not re-enter into goat market unless there is viable long term planning

Mobile Slaughter

The following pros and cons were drafted based on phone interviews primarily with HH Mobile Slaughter and Erickson Mobile Slaughter. HH Slaughter will travel anywhere from just south of the Canadian border to just north of the Oregon border. Erickson is more regionally limited in a service area and requires a higher minimum to justify travel.

Pros:

- Producer markets direct to consumer and controls all stages of the process
- Charges at the going rate of \$35 to \$25 per head
- Mobile facility will refrigerate and transport carcasses to meat market for processing
- Removes offal
- Low minimum quantity required
- Willing to attempt halal within regulatory constraints

- Support the “farm to consumer market” by slaughtering on farm, refrigerating, and delivering the carcass to the producer’s nominated custom meat facility.²⁴

Cons:

- Some have a limited driving territory and a two-week notice policy
- Some butchering services do not take offal
- Mobile slaughtering units are considered “custom exempt;” which means:
 - Meat is pre-sold before the slaughter and the customer takes whole animal
 - Is only certified by State Dept of Agriculture and not USDA
 - Cannot be sold to stores or restaurants
- Rendering costs make slaughter expensive

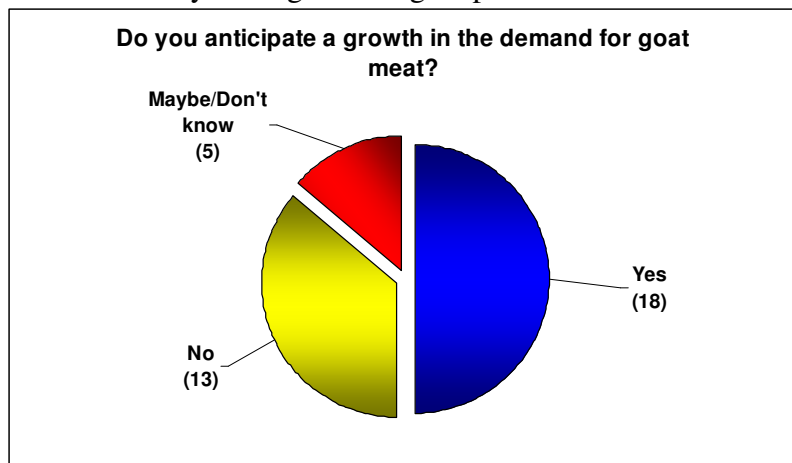
2.4. Demand Summary

There are so many customers and customer groups in the market it would be impossible for any goat meat producer to service all the markets and service them well and profitably. Producers will have to weigh all the factors, before deciding which customers to target and how to service them.

People from Africa, Asia, and the Caribbean are not used to buying their food in supermarkets. In their countries, food is bought from local farmers’ markets where the retailer is well known and freshness of the meat is guaranteed. Because there is usually no middle man, the price is affordable, which contributes to the local economy. This gives the goat producer an unrivalled opportunity to service this customer directly without having to compete with the supermarkets. Evidence shows that distribution channels to the ethnic market are sporadic, so people usually travel a long way to buy goat meat and they tend to buy in large quantities.

The vast majority of goat meat vendors anticipated a growth in the market for goat meat; as

demonstrated by the chart above, “Do you anticipate a growth in the demand for goat meat.”



3. SUPPLY

The following research conclusions are based on an online survey of the producers. Forty four goat producers responded to the survey.²⁵ The following figures represent the sample only, and may not represent the situation for other goat producers.

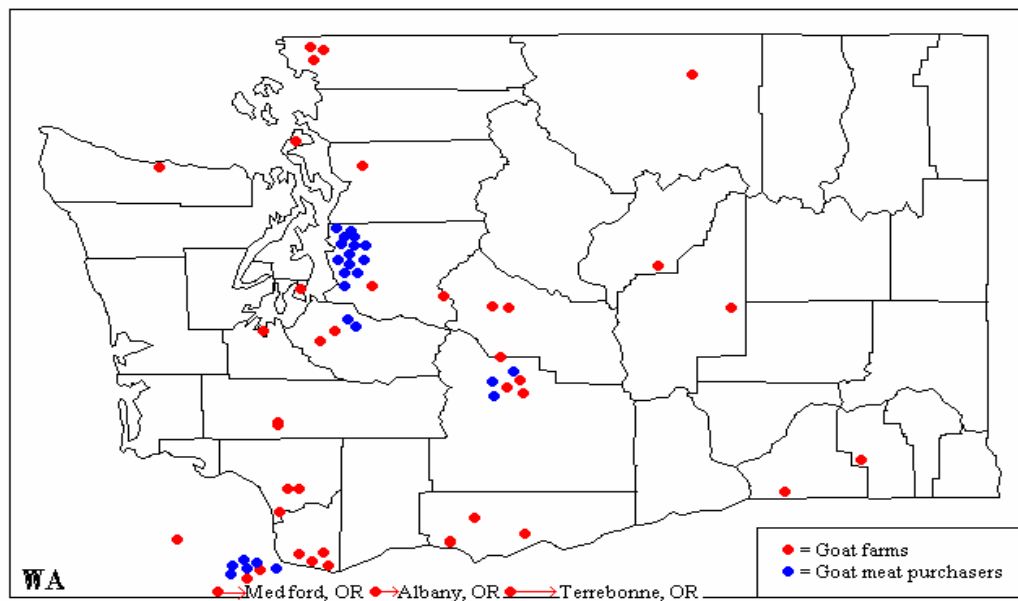
²⁴ Custom license information, Washington State Department of Agriculture:
<http://agr.wa.gov/FoodAnimal/CustomMeats/LawsRules.htm> and
<http://agr.wa.gov/FoodAnimal/CustomMeats/default.htm>

3.1. Meat Goat Producers

The survey of goat meat producers was designed to:

- Help identify clear links with the market for the producer.
- Provide key information, which would allow the producer to understand the market and its requirements.
- Help the NWCDC team to identify weaknesses and provide solutions regarding husbandry, market proximity, and business management.
- Identify existing sales and marketing structures, and the producers' preferred customer options.
- Answer questions about existing prices and viability to ascertain expansion plans for the future.

This chart shows the location of the 44 survey respondents' farms in Washington with the main location of meat purchasers interviewed. The cluster of buyers around the main metropolitan areas with some in the Yakima Valley show that proximity to market presents some challenges.



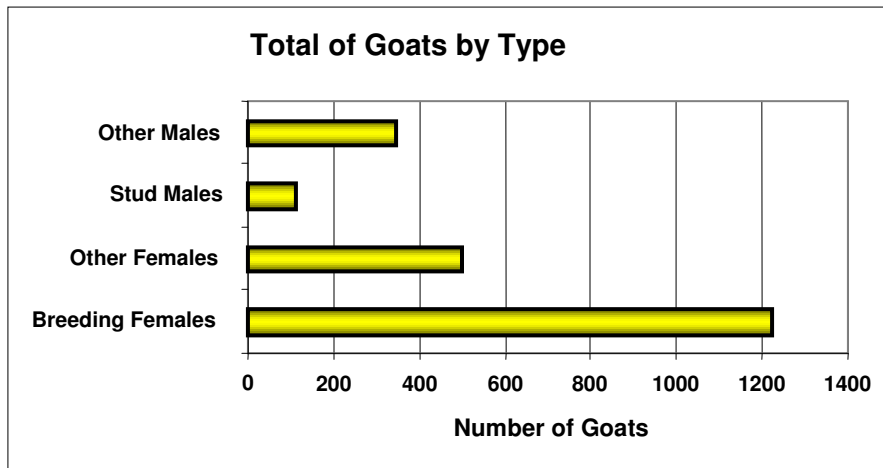
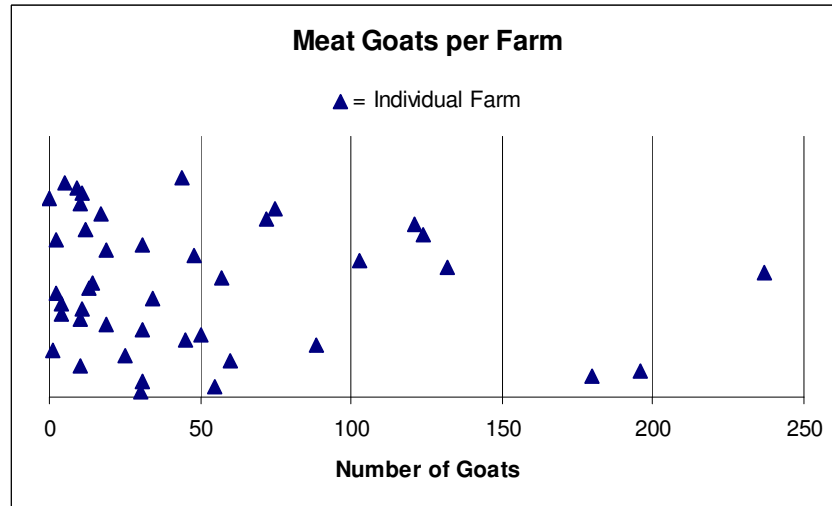
3.1.1. Supply Inventory

The combined herds of the sample were in excess of 2,062 animals. The average herd size on any given farm was 49 goats. The scale of the surveyed operations identified difficulties that the group will have in supplying the identified markets, even with efficient breeding.

The chart, titled "Meat Goats per Farm," illustrates the specific number of goats per farm of those who completed the survey. It shows that most of the herds have less than 50 goats with only seven herds with between 100 to 250 goats per farm.

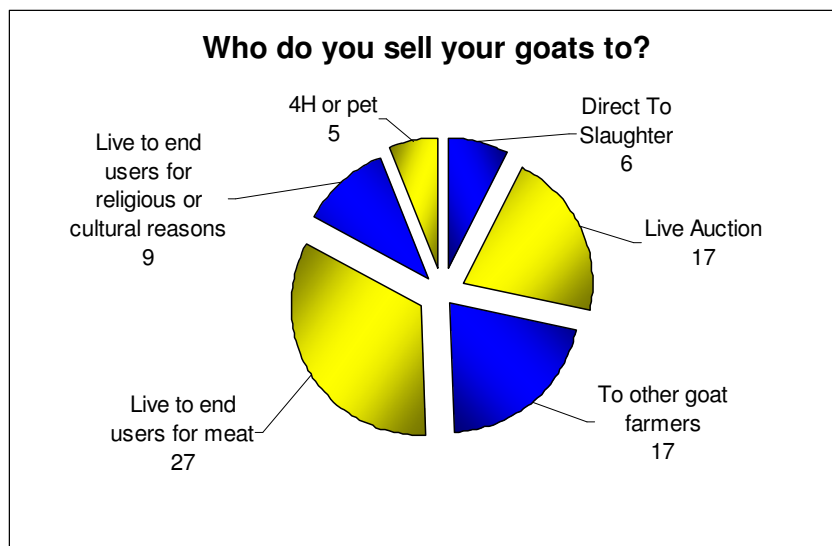
²⁵ Please refer to the results of the survey online at:
http://www.nwcde.coop/projects_files/nmgp/Summary4Producers.html

The following chart, “Total of Goats by Type,” depicts the distribution of types of goats held by producers in April 2005. These aggregate figures show that on average the farms have high numbers of breeding females and several stud bucks. This also means that out of the 40-plus producers surveyed, there are just over 1,200 breeding females. We find this to be clear evidence that the current local supply of goats cannot begin to drastically impact the local demand for goats.



3.1.2. Expansion Plans

In the survey, goat meat producers clearly identified need, desire and ability to expand their individual herd size. The producers projected what their herd size would be in a year and in several years. However, in retrospect there are too many ambiguities with this question to draw any concrete conclusions.



3.1.3. Sales

To ascertain current selling strategies, questions were asked to explore frequency of sales, carcass weights, age of animals sold etc. The resulting data indicated that uniform strategies are not being utilized among producers. For example, animals are sold at a variety of weights and ages, and producers appear to have just two distinct selling periods, from April to June and from October to December.

The chart titled “Who do you sell your goats to?” details the producers’ existing customers. Based on this data, goats are primarily being sold directly to a customer for a variety of reasons.

To take this a step further, the chart, titled “Who purchases your goat meat?” represents the ethnic breakdown of their sales. The demand data from the consumer survey reveals that their markets are the same ethnic groups identified earlier. There is a clear link with the Hispanic market and if other sectors are grouped (i.e. Muslim, Middle Eastern, and parts of Pakistani and Indian responses) a halal market exists. The African/Caribbean market is shown as the third largest.



3.1.4. Preferred Sales

Referring to the chart titled “Who is your preferred customer?” producers indicated their preferred customers. A large number preferred private buyers coming to the farm. This seems to indicate that the producer wishes to have a direct link to the user.

Anecdotal reasons for this are it cuts costs, the price is visible, and it saves on time and transport. The second preferred option chosen by the sample was: “Immaterial, price is the determining factor.” This clearly shows producers are aware of the small margins they achieve and their need to minimize additional costs where possible.

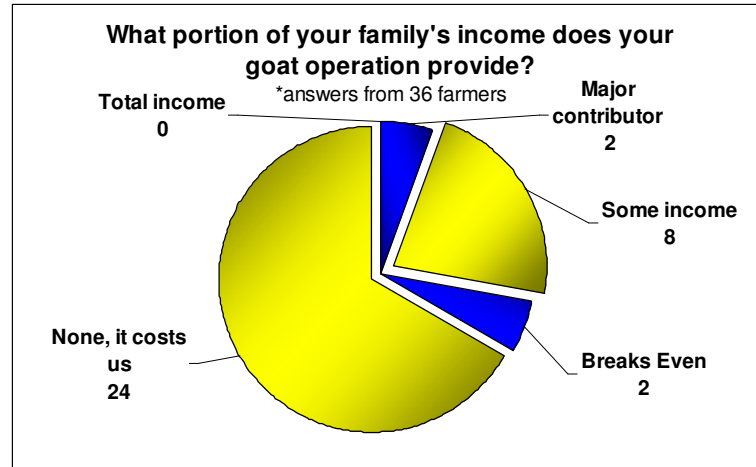


3.2. Income versus Time Spent

3.2.1 Income Earned

Additional survey questions asked goat producers various questions about price, yield, and production costs. Based on results and comments, the majority of producers are operating without identifiable production cost records and/or controls, resulting in cash flow problems and low or nonexistent profit.

While worrisome, this admission may not be cause for concern if it represents profit reinvestment to grow the operation.



3.2.2. Time Spent

Three out of four producer's families surveyed are spending in excess of 40 hours per week on their goat enterprises. This result is startling, and when the profit/income situation is incorporated it identifies serious operational weaknesses. This situation is fine if people are aware that what they are doing is a hobby. On the other hand if producers desire to be profitable in their efforts, they will need to devote serious attention to training, planning and strategy.

3.3. Goat Meat in the Northwest

Primary sources for goat meat in the Northwest are the New Zealand/Australian imports and meat produced in other parts of the U.S.

Most of the meat in the stores is imported. This imported meat sets the floor price for the domestic meat. Most goat meat imported into the United States comes through the east coast but San Francisco and Los Angeles together take in approximately 2,100 tons of frozen or refrigerated meat every year. There are no import quotas for goat meat.

3.3.1. Domestic

According to the National Agricultural Statistics Service (NASS), 1,965,000 goats are raised nationally.²⁶ Goats and goat meat come into the Northwest from other states, notably Texas, where goat numbers are much higher, but the various routes to market make it impossible to quantify volumes. They appear to be coming in by semi-truck loads to meet the demand in the Northwest market.

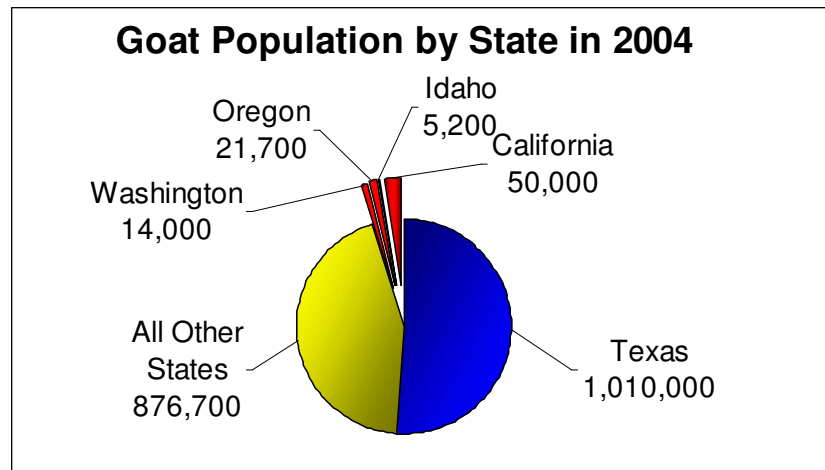
²⁶ See Appendix VI

The chart titled “Goat Population by State in 2004” tells us that California dominated the domestic goat production on the West Coast and Texas alone has more than 51% of the national goat population.

Yet based on local comparative advantages, such as reduced shipping costs and freshness, we believe that Northwest goat production will continue to grow.

3.3.2. International

The situation of imported goat meat may seem intimidating at first glance, but there is hope that these trends will not hold out over the long run. There are some external threats and internal weaknesses to the Australian goat meat market domination. An ever weakening U.S. dollar has meant that imports are relatively more expensive. An increase in the price of fuel translates into a higher cost of oceanic shipping. Also the feral goat population has not been harvested sustainably because the goal has always been to decrease the number of feral goats in the wild. These factors imply that what is happening today for the goat market will not be the situation over the years to come.



3.4. Supply Summary

44 goat producers were surveyed in the Northwest, the survey represented a cross section of goat producers and the challenges they face.

It is clear that the demand for goat meat far outstrips the supply in the Northwest. In fact, it is our assessment that the market is so “bottomless,” that the goat meat producers are not a competitive threat to each other. The time is ripe to organize a collective marketing effort.

Key point: *know what your customer wants and how and when to provide it.*

4. RECOMMENDATIONS

The Northwest Goat Meat Producers is a fledgling group that has yet to devise a specific structure or a core group of committed individuals. Some of the original individuals who launched this initiative have since stepped down from leadership positions. The fact that the Center was able to secure funding for the concept and the progress that has been made to-date would have been impossible without the original founders’ enthusiasm and hard work. Nevertheless, if NWGMP is going to continue to move forward, two main things must occur:

- Identify a group of committed individuals and corresponding leadership
- Theoretically commit a specific number of animals and formulate financial projections

A series of recommendations are outlined below. There are many options for the small goat farmer and NWGMP. One option is to persist and keep things the way they are. Unfortunately, this may not be the most cost effective or easiest option in the long run; even if it does appear to be the simplest. Remember: if someone keeps doing the same thing over and over again, they will get the same results.

4.1. Training

The survey was designed to include questions on farm management and husbandry so respondents could identify their training needs and the solutions could be incorporated into the final plan. Analysis identified further training gaps.

Training needs fall into the following broad areas:

- Goat husbandry (disease, pasture management, breeding, recording).
- Financial management (costs, budgets, planning, measurements).
- General management (business planning, strategies, evaluation).
- Sales and marketing (quality issues, customer care).
- Group development (structures, capacity building, partnership building).

Dr. Susan Kerr, Washington State University (WSU) Extension Agent and goat specialist, has a partnership with the NWMGP. The Extension Service function is to take research conducted at the university and deliver it to the public. WSU and Oregon State University (OSU) support services will collaborate to provide husbandry training for goat producers.

WSU produces a regular newsletter which producers are encouraged to read. In addition, the Extension Service conducts one-day workshops throughout the region.²⁷ NWCDC has committed to facilitating the dissemination of training information to the NWMGP. It is imperative for producers to make sure they are on the mailing lists, to make themselves available for training and to incorporate new knowledge into their goat enterprises.

An excellent online resource is the National Sustainable Agricultural Information Service (ATTRA) website; it can be found at www.attra.org. The site has a wide variety of high quality goat publications.

Additionally, there are some excellent web pages available from other extension services around the nation which are excellent sources of training. The writers have identified cost analysis pages, which can be used by producers to plot profitability over various factors and can become an effective and simple tool in understanding costs.²⁸

4.2. Support Organizations

Producers need to be aware that other support organizations operate in the region. For example, Heifer International and the 4-H, have resources available to them which can provide group development support.

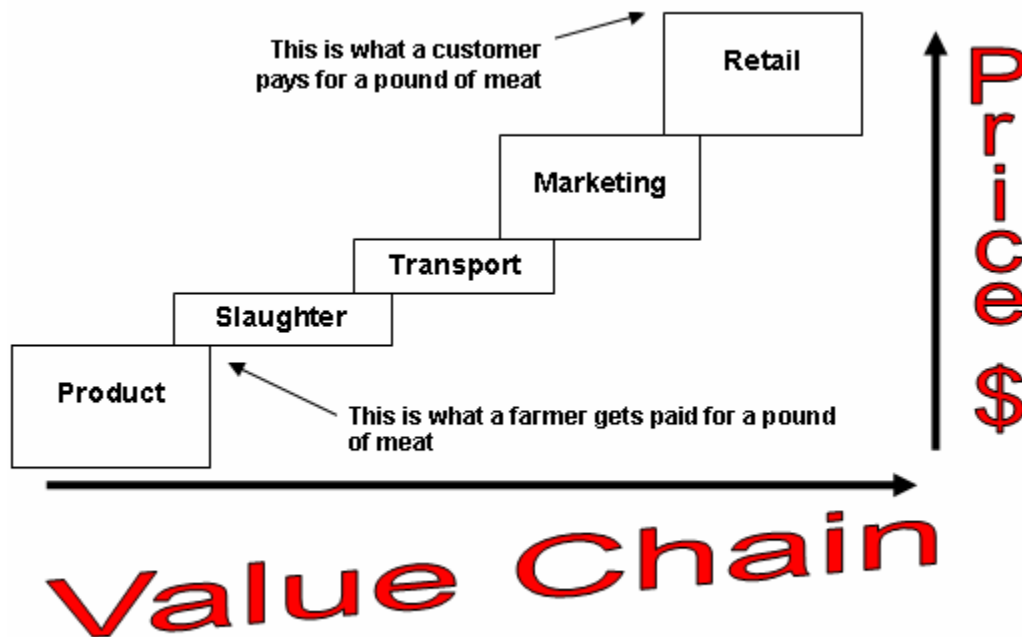
²⁷ For example, Gary Fredricks, WSU Extension Educator, plans to offer a Master Goat Farmer training in Puyallup September 16, 17 & 24 from 9 AM to 4 PM.

²⁸ Appendix IX

We strongly recommended that the NWMGP take advantage of these resources. The NWCDC has strong links with United States Department of Agriculture, who financed production of this document. NWCDC will continue to provide a support structure to the group where possible within the constraints of its budget.

4.3. Adding Value

Profitability is improved if primary producers can add value to the base product. The chart below explains this concept.



The farther up the chain, the more “value” is added to the product. For example, a pound of meat in a downtown Seattle store has more “value” than a pound of meat in a freezer at the Port of Seattle after arriving from overseas. The goal of adding value is to capture a higher price and keep those earnings in your pocket.

One of the initial conclusions for producer’s is to look immediately above thier current location in the value chain and assume that slaughtering is the next step. That is not the conclusion we wish a producers to draw; that is a decision for the business plan. There are tight margins and complex regulations to slaughter. In addition, value can still be added by maintaining custody of the meat and accessing other aspects of the “value chain,” such as marketing, etc.

How to Add Value:

- Know your customer
- Know what the final product looks like
- Know when, where, and how much the product is in demand
- Meet your customers’ needs

- Innovate with new products that add to your customers' needs
- Keep a short link between you and your customer

Production versus Consumer Focus

Most small businesses focus on what they are producing and may have production strategies in place. But business experts report that the most successful businesses focus on customer needs first, and work to profitably supply those needs.

4.4. Opportunities: the Way Forward

The purpose of this study was to investigate the existing supply chain for goat meat in the Pacific Northwest; investigate existing and potential markets; and show how goat farmers can profitably supply these markets.

We have demonstrated that the existing group sells separately to different markets, has sporadic growth, room for improvement with management and husbandry practices, and sells a seasonal product. **In its current state: the group cannot profitably service the markets as identified.**

It is outside the scope of this study, and also premature for the group, to provide a full marketing plan with costing for any of these markets. However, opportunities have been identified and are outlined below.

4.4.1. Opportunity; Producer Group

A group of goat producers whose farms are reasonably close and who are also close to a state custom slaughtering facility may form a small producer group. They could provide enough goats to supply the equivalent of one store year round, i.e. 150 pounds of meat per week. Potential areas with identified markets are:

- Yakima Valley
- South Seattle
- Portland

Alternatively, a small producer group could supply a portion of a market for local Hispanics on weekends and holidays, a halal store, or African/Caribbean customers with meat for special events. Group members would need to develop a staggered breeding program to address the problems of seasonality and produce a carcass of the type and size favored by their specific market consumers.

Because of state slaughtering rules, only whole carcasses could be sold. Producers would need to establish direct selling and payment relationships with the end user. Slaughter facilities often have extra capacity, but the group would need to be well organized with a focused plan in place before proceeding to develop a business relationship with a facility. Each member of the group would have to rigorously commit its goats to the enterprise.

The group would have to arrange for animal transport and short-term refrigerated storage facilities at the slaughter plant. This structure would have the benefits of the producer achieving

the maximum price if they are able to provide consistent supply and quality. The producer group would need to remember that some markets identified here are focused primarily on price, so price should be kept close to the wholesale price of the imported frozen product.

We also recommend that a full marketing and financial plan be developed. Bank funding and possible marketing grants would need to be investigated and assessed. This option would eliminate the cost of the existing layers within the chain from farm to customer and would support the local economy. One of the challenges of this structure is if the scale is too small to service the chosen market, it will be constantly undersupplied. Trust will be hard to gain and easily lost under these conditions.

A producer group could access the planned national marketing website which allows producers to post goats as they are marketable for a fee, and the local buyer can then make direct contact with the seller. This is a pilot joint project with a number of extension services nationwide, but it is dependent on the website being promoted, the buyer being able to access the information, and the availability of the type of goats required in the location.

A producer group such as this could, over time, develop and market other high-priced products like specific prepared offal pieces, or prepared dishes like curry. Farmers markets around the region provide an excellent marketing opportunity with high credibility. Stringent USDA regulations must be met, but producers would add value and achieve the maximum price for their products.

Structure

The group would require a legal entity and organizational structure. We recommend a co-op to provide financial returns to the producers. A cooperative is ideally suited to this type of primary producer group and has been successfully used by generations of Americans.

Advantages of the cooperative structure are:

- A co-op keeps all the benefit for group members
- The business is owned and controlled by the members
- One vote per member
- With scale comes bargaining power
- Pooled purchasing reduces costs
- A co-op is a recognized way of doing business with strategic regional and national links
- Co-ops allow for mentoring and support across the industry
- NWCDC is a support agency for the group.

4.4.2. Opportunity; Alliances

NWMGP could form strategic alliances with other goat producer groups in the region to operate and market cooperatively. One such group is the Oregon Goat Meat Producers (OGMP). Since its formation in 2003, it has over 300 members and has in place a strong and vibrant structure organized into active regional committees involved in marketing, education and networking.

Producers could partner with other specific goat breed groups, local groups and individuals in the region. These groups, if desired, could retain their specific identities while exploring mutually beneficial business activities.

Available training resources could be expanded and shared; the larger group could form local discussion groups and inter-farm visits to share good husbandry practices, improving individual productivity over time. Members would learn to work collectively and develop leadership skills to benefit their businesses and their communities.

With the larger group, some of the problems of scale would be addressed; members would be located across the region and could collectively supply different segments of the market.

The actions outlined above in the Opportunity section could be measured and the following options considered.

An example of leveraging an economy of scale:

There is a strong market for selling live animals, and the survey showed it to be the producers' current favored selling option. One buyer who has strong contacts in the marketplace and is currently buying goats from producers, wishes to expand his operations. Increased numbers and localized pickups present an excellent opportunity to work with this buyer and negotiate prices upwards and potentially expand and develop other options with him. The producer would still sell his animals at the farm gate and be paid immediately.

An example of halal to cafeteria marketing:

Producers could communicate with a halal slaughtering facility to bid for some of the lucrative halal market within the state's prison services. There is a market for food service companies selling halal meat in corporate cafeterias. The facility would require regular supply but sellers would spread the business risk within the joint venture and develop their businesses over time.

4.5. The Way Forward: Actions

This study has identified opportunities for goat producers to supply the ever-expanding market in the Pacific Northwest; however there are barriers to be faced and overcome. These opportunities will allow goat producers to build viable businesses. Some of the barriers are operational and relate to husbandry and scale, but the biggest challenges are of a strategic nature.

We recommend that the following steps be pursued. The group needs to **engage in discussion**, get as much **information** from as many sources as they can, and **decide** on a course of action. Then the group needs to devise a **structure**, which can be modified and improved as the group grows and opportunities present themselves. They need to **plan** a course of action, setting short- and long-term **goals**; *“if you fail to plan, you plan to fail.”* As with all plans, they need to be flexible, to accommodate change and to incorporate the unexpected. It's imperative for a group with a plan to also have a realistic timescale for delivery of goals. In addition, the group needs to have an identified mechanism of measurement; which will help streamline processes.

The key element is for the group to realize the opportunities and commit to the process. Believe you can succeed, listen, learn and change, use your energy wisely, cooperate with others and use available resources.

July 2005

APPENDIX I

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APPENDIX II

The Northwest Cooperative Development Centre (NWCDC) is a non-profit organization devoted to assisting new and existing cooperative businesses, from day-care centres to credit unions. The NWCDC's mission is *to foster community and economic development, primarily through cooperative business models.*

Forming cooperatives is a successful strategy to help people access economic resources that meet their needs. One of the main hurdles for start-up cooperatives is the large amount of time it takes to organize and get started. Support is needed for the pre-development of a cooperative, including community organizing and technical assistance with business planning. Where there is pre-development support, cooperatives have a greater chance of succeeding and creating economic opportunities.

The Northwest Cooperative Development Centre assists with the predevelopment work to help build business ownership, sound management practices, and economic health.

The Northwest Cooperative Development Centre is a non-profit 501(c)3 tax-deductible organization. It receives support through private and governmental grant sources and individual donations.

Service areas include: Washington, Oregon, Hawaii, Alaska, and Idaho.

Services Provided Include:

- Cooperative Education
- Board Training
- Start-Up Co-op Services
- Business Planning Resources
- Feasibility Analysis
- Technical Assistance Networking

Northwest Cooperative Development Center (NWCDC)
1063 Capitol Way South, Suite 214
Olympia, Washington 98501

Phone: (360) 943-4241
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Website: www.nwcdc.coop

APPENDIX III

UPDATE ON GOAT MEAT SURVEY

By Dr. David Youmans, WSU Rural Sociologist

In early October 2003, David Youmans and Jan Busboom, assisted by Jean Smith and Evaristo Milanez, visited fifteen meat shops which retail chevon to largely Hispanic customers. A survey form was utilized to guide a uniform set of questions asked of the fifteen-plus Hispanic meat shop proprietors. They were also given a summary of last year's survey results as well as a copy of the WSU human subject's interview disclaimer.

In addition to the meat shop visitations, the team also called on Frontier Foods (a major meat purveyor in Pasco) which, along with D&G Meats, Ray's Meats, Portland Box and one or two others provide periodic shipments of goat meat to most of the retailers surveyed. Likewise, a visit was paid to McCary meats, a USDA-inspected kill plant in Basin City which has the capacity and facilities to process meat goats and will do so for a pre-specified kill fee per animal if the market will bear their costs.

The findings of this exercise indicated that virtually none of the meat markets surveyed is buying Washington-grown goat meat for retail to their clients. Without exception, the chevon being retailed, mainly for *burria* but occasionally for barbecue, is oceanic meat imported mainly from Australia, frozen, plastic wrapped (sometimes cryo-vacuumed), boxed and strapped and looks like an excellent and wholesome product. The only local consumption of goat discovered in conversations with the meat market operators was through farm-gate sales of live animals or farm slaughter of pre-owned animals.

So the question remains: What is the destination of the hundreds of local goats being produced across our region and sold at local auction yards? Subsequent findings by Susan Kerr and Frank Hendrix have found that large numbers are being trucked to the West Side and likely to points south after each auction event, but the picture is still sketchy. There is some reason to believe that there are large buyers on the Washington Coast and it is now known that there is a substantial buyers' market in central California which currently buys Spanish goats and Angora nannies from Texas and a few meat animals from Oregon. Those buyers are Arabs who market largely but not exclusively to the Muslim market. There is interest on both ends of quite active e-mail chatter about this potential market; however, there are many things to consider.

Hendrix, who has operated lamb pools before, advises on the regulations and costs surrounding certified scales. There are prices, bases for pricing, how animals from various owners are to be pooled, loading considerations, how sellers get paid and many other factors to be considered. Hendrix favors consulting the Toppenish or The Dalles auction yards about how all this might be worked out.

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WSU Extension programs are available to all without discrimination.

APPENDIX IV

Goat Meat Consumer Survey

1. How would you classify your relation to the market? I am a:

Butcher; Specialty Butcher; Wholesaler; Individual; Grocery Store; Ethnic Grocery Store (please specify in other, i.e. Mexican, Asian, Greek, Halal, etc.); Other (please specify): _____

2. Do you currently buy? Check all that apply.

I do not currently buy goat meat; Goats for slaughter; Goats for breeding; Goat meat for resale (fresh); Goat meat for resale (frozen); Goat meat for own use (fresh); Goat meat for own use (frozen); Other (please specify): _____

3. What is your purchase price per pound for meat/animals?

	<\$0.25	\$0.25 - \$0.75	\$0.76 - \$1.00	\$1.01 - \$1.25	\$1.26 - \$2.00	\$2.01 - \$4.00	\$4.01 - \$6.00
Frozen meat, primals							
Frozen meat, sub primals and cuts							
Fresh meat, primals							
Fresh meat; subprimals and cuts							
Live animals							

4. What is your purchase price per pound for meat/animals?

5. What is the sale price per pound of your meat/animals?

	<\$0.25	\$0.25 - \$0.75	\$0.76 - \$1.00	\$1.01 - \$1.25	\$1.26 - \$2.00	\$2.01 - \$4.00	\$4.01 - \$6.00
Frozen meat, primals							
Frozen meat, sub primals and cuts							
Fresh meat, primals							
Fresh meat; subprimals and cuts							
Live animals							

6. What is the sale price per pound of your meat/animals?

7. Live Goat Buyers - Who are your customers?

Slaughter houses; Auction yards; Private buyers; Breeders; Other (please specify): _____

8. Meat Buyers -Who are your customers for meat? (use multiple boxes where relevant)
Restaurants; Meat markets; Grocery stores; Specialty markets; Direct consumers; Other (please specify): _____
9. How often do you currently purchase live meat goats? Please select the best/most accurate answer.
Most weeks; Every month; Quarterly; Twice per year; Once per year; Religious festivals
10. Please indicate which months you currently purchase most of your goats. Please check every month in which you have purchased goats:
Jan; Feb; Mar; Apr; May; Jun; Jul; Aug; Sep; Oct; Nov; Dec
11. Or do you base your purchases on the Lunar Year?
Yes; No; Other (please specify): _____
12. Are you set up to accept goats all of the time?
Yes; No; Other (please specify): _____
13. Is there a minimum quantity of goats that you would need to accept an order?
Yes; No; How much: _____
14. What prevents you from buying more live goats?
Unavailability; Supply is inconsistent; Don't know sellers; No demand; Low demand; Poor quality animals; USDA quality unavailable; Transport difficulties; Customer base is seasonal; Other (please specify): _____
15. When you purchase goats, how many do you typically buy at one time?
I do not purchase goats; 1-2; 3-5; 6-10; 11-20; 21-50; 51-100; >100; Other (please specify): _____
16. What type of goats do you purchase: (check all that apply)
Anything that is available; Meat types; Dairy types; Fiber types; under 45 pounds live; 45- 80 pounds live; 80-100 pounds live; over 100 pounds live; under 3 months; under 1 year; 1-2 year old; older females; older males; females in milk; goats with horns; intact males; Other (please specify): _____
17. How often do you currently purchase goat meat? Please select the best/most accurate answer.
More than once a week; Every week; Every month; Every three months; Every four months; Twice per year; Once per year.
18. Please indicate which months you currently purchase most of your meat. Please check every month in which you have purchased goats:
Jan; Feb; Mar; Apr; May; Jun; Jul; Aug; Sep; Oct; Nov; Dec
19. Or do you base your purchases on the Lunar Year?
Yes; No; Other (please specify): _____
20. What prevents you buying more goat meat?
Unavailability; Supply is inconsistent; Don't know sellers; No demand; Low demand; Poor quality animals; USDA quality unavailable; Transport difficulties; Customer base is seasonal; Other (please specify): _____
21. When you typically purchase goat meat, how much do you typically purchase at a time:
1-5 pounds; 5-10 pounds; 11-20 pounds; 20-50 pounds; 50-75 pounds; 76-100 pounds; 100+ pounds; Other (please specify): _____

22. How much goat meat do you sell a week?
1-10 pounds; 10-20 pounds; 20-50 pounds; 50-100 pounds; 100+ pounds
23. How do you purchase your goat meat?
Whole butchered; Primal cuts (i.e. leg, loin, rack and shoulder); Joints; Quarters; specific pieces (heads); Finished and processed (i.e. sausage links, roasts, steaks, ground, etc.); Other (please specify): _____
24. How do you sell your goat meat?
Whole butchered; Primal cuts (i.e. leg, loin, rack and shoulder); Joints; Quarters; specific pieces (heads); Finished and processed (i.e. sausage links, roasts, steaks, ground, etc.); Other (please specify): _____
25. Check here for:
Meat; Live Goats; Both
26. If the quality and type of goats were available that you want to purchase, how many and how often would you buy live goats?
-
27. If you could have any quality and type of goat available, what would you select as the ideal market type goats (check all that apply):
Meat type goats; Dairy type goats; Fiber type goats; Under 30 pounds live weight; 30-45 pounds live weight; 45-60 pounds live weight; 60-80 pounds live weight; 80-90 pounds live weight; 90-100 pounds live weight; over 100 pounds live weight; 3 months and younger; 4-5 months of age; 6-9 months of age; 9-12 months of age; 12-18 months of age; 18-24 months of age; Older does; Does in milk; Older bucks; Goats with horns; Intact males
28. Do you prefer a specific breed of goats?
Yes; No
29. If yes, which breed of goat do you prefer?

30. Live Goat Buyers. Why do you buy goats live?
Only type available; Pick of animals; Proximity; Health reasons; Religious reasons; Traditional reasons; Price
31. What cultural background are your customers for live goats?
European American; African American; Caribbean; African; Hispanic; Indian; Muslim; Greek; Asian; Other (please specify): _____
32. Do you market to a broker?
Yes; No; Sometimes; Other (please specify): _____
33. Would you deliver back to the producer?
Yes, I do that sometimes already; Yes, I would if they requested it; No; Other (please specify): _____
34. Do you slaughter:
Halal; Kosher; USDA; Organic; Other (please specify): _____
35. If possible, would you like to expand your current demand for goats or goat meat?
Yes; No; Maybe; Other (please specify): _____

36. Meat buyers. Describe your ideal supply frequency:

Daily; Weekly; Seasonally; Never, I do not want to sell goat meat; Other (please specify): _____

37. Meat buyers. Describe your ideal meat cuts: (We aim to have all meat supplied to USDA standards and regulations.)

Whole butchered; Primal cuts (i.e. leg, loin, rack and shoulder); Joints; Quarters; specific pieces (heads); Finished and processed (i.e. sausage links, roasts, steaks, ground, etc.); Other (please specify): _____

38. Meat buyers. Why do your consumers buy goat meat?

Healthy food option; Flavor; Religious; Traditional /cultural; Price; Other (please specify): _____

39. What cultural background are your customers for goat meat?

European American; African American; Hispanic; Indian; Muslim; Greek; Asian; Other (please specify): _____

40. If your customers buy goats or goat meat for religious reasons how important is it that the meat be raised, processed or sold by someone of the same faith?

	Not important at all	Somewhat	Important	Very important	Extremely important	N/A
Raised						
Processed						
Sold						

41. Do you anticipate a growth in demand for Chevon meat? Why? Over what period? To whom?

42. Personal information. If you would like a copy of our research, you will need to complete this section:

Title	
Name	
Mailing Address	
City	
State	
Zip	
Phone	
Cell	
Primary Phone	
Primary Email	

43. Physical location of your primary buying area:

Region of the US	
Primary/closest major city	
State	

44. Physical location of the majority of your customers:

Region of the US	
Primary/closest major	

city	
State	

45. Who else do you know that buys or sells goats or goat meat? Could we please provide a name and phone number? _____

46. Would you like a copy of our research when it is completed?
Yes; No

APPENDIX V**Goat Meat Producer Survey**

1. All personal information will be kept confidential and will be used for research purposes only. Please note: if you

would like a copy of the survey, you will need to complete this section. (Type N/A if not applicable.)

Name	
Farm Name	
Mailing Address 1	
Mailing Address 2	
City	
State	
Zip	
Primary Phone	
Cell	
Primary Email	

2. What type of goats do you have? Check all that apply:

Meat goats; Dairy goats; Fiber goats; Pet Goats or any other types; Other (please specify): _____

3. What breed(s) of meat goats do you currently have?

4. How many meat goats do you have?

Breeding females; Other females; Stud males; Other males; Total Meat goats

5. When and what do you feed your goats? Check all that apply:

Seasonal pasture access; Year long pasture access; Year long grain or feed mix; Year long hay; Winter only grain mix; Winter only hay; Breeding-cycle based grain; Breeding-cycle based hay; Other (please specify): _____

6. Do you use rotate grazing or cross-fencing techniques?

Yes; No; Some of the time; Other (please specify): _____

7. How do you house your goats? Check all that apply:

Winter housing; Summer sheds for shade; Year round housing; Kidding only housing; Other (please specify): _____

8. How often do you administer parasite medication?

Never; When needed; Yearly; Biyearly; Quarterly; Multiple times a quarter, i.e. every 6 weeks or more often; Other (please specify): _____

9. What ratio of mated females to marketable offspring do you obtain?

10. Numbers of goats sold (include all meat and culls here):

Actual in 2003	
Actual in 2004	
Sales by end 2005	
Expected sales 2006	

11. The next 4 questions relate to MEAT ONLY. What is the expected or achieved average carcass weight? (Check multiple boxes if applicable.)

under 30lbs; 30-45 lbs; 45-60 lbs; 60-80 lbs; 80-100 lbs; over 100lbs

12. At what age will you sell the meat goats?

<3 months; 3 - 6 months; 6 - 9 months; 9 - 12 months; 1 - 2 years; Older; no strategy- whatever is wanted; Other (please specify): _____

13. How many goats of have you sold this year of:

Total under 1-year male	
Total under 1-year female	

14. What time of year do you sell goats for meat? (Check multiple boxes if applicable.)

Jan –March; April – June; July – Sept; Oct- Dec

15. The next two questions relate to CULLS ONLY. Do you send your culls to the market?

Yes; No-private sale; Yearly numbers of culls; Number of males; Number of females

16. When do you send your culls to market?

Jan –March; April – June; July – Sept; Oct- Dec

17. Who do you sell meat goats to?

Direct to slaughter facility - single animals; Direct to slaughter facility - multiple animals; Live to end-user/s for religious/ritual purposes; Live to end-user/s for meat; Live auction; To other goat farmers; Other (please specify): _____

18. Who buys your goat meat presently? Check all that apply:

African; Caribbean; Chinese; European American; European or Eastern European; Greek; Hispanic/Latino; Indian (i.e. India national or Hindu); Middle Eastern; Muslim; Pacific Islander; Pakistani; Don't know; Other (please specify): _____

19. How to you get the goats to market?

Don't - buyer collects; Own transport; Joint transport with others; Contract haulage; Other (please specify): _____

20. How far are you from your nearest slaughter facility?

Under 10 miles; 10 -20 miles; 20-30 miles; Over 30 miles; Don't know; How far: _____

21. How far is your closest goat meat slaughter facility that is USDA certified? _____

22. Who is your preferred customer?

USDA certified slaughter facility for sale to consumer; Halal slaughter facility; Any other slaughter facility; Private buyer coming to farm; Immaterial - price is the factor; Other (please specify): _____

23. How much do you average per pound dead weight as a sale price for meat goats?

<\$.50; \$.51 - 1.00; \$1.01 – 1.25; \$1.26 – 1.50; \$1.51 - 2.00; >\$2.00; I do not sell by pound; How much: _____

24. If you sell by the head, how much do you receive for:

Bucks	
Wethers	
Does	
Milk fed	

kids	
Weaned kids	
Other	

25. How many more goats will you have in:

2004	
2005	
2006	
2007	

26. I will increase numbers by:

Buying more young kids; Buying more breeding stock; Manage more efficient breeding/weaning ratio; Other (please specify):_____

27. Do you have enough land to carry more stock?

Yes; Will rent; Will buy; Other land available; Will increase stocking density; Other (please specify):_____

28. How many man-hours per week is spent on your goat enterprise? Include all time spent by all family members:

<10 hours; 10-15 hours; 15-20 hours; 20-40 hours; over 40 hours.

29. Income-Does your goat enterprise provide?

Total family income; Major contributor to family income; Some family income; None -it costs us money; Other (please specify):_____

30. Have you calculated how much it costs to produce your goat meat per pound?

Yes; No; I do not know how; I would need more information; Other (please specify):_____

31. If so, how much did it cost to produce your goats per pound?

<\$0.25 per pound; \$0.26 - \$0.50 per pound; \$0.51 - \$0.75 per pound; \$0.76 - \$1.00 per pound; \$1.01 – \$1.50 per pound; \$1.51 - \$2.00 per pound; How much:_____

32. Are you interested in becoming part of a Goat Meat Marketing Co-op (i.e. Chevon) to improve and develop markets?

Yes; No; Maybe, I would need more information; Other (please specify):_____

33. Are you interested in training to improve your goat enterprise?

Yes; No; Depends on location; Goat management; Breeding; Improving weight gain; Marketing; I am willing to share my knowledge with others; Other (please specify):_____

34. Is there any additional information you want to add?

35. Would you like us to send you a copy of the completed research report?

Yes; No

36. If your goat enterprise is separate from your home address please complete this section. Physical address of your farm (where you house and breed your goats):

Address	
City	
State	

Zip	
-----	--

APPENDIX VI

Taken From:

<http://usda.mannlib.cornell.edu/reports/nassr/livestock/pgg-bb/shep0105.pdf>

Released January 28, 2005, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, U.S. Department of Agriculture. For information on Sheep and Goats call Scott Hollis at 202-720-4751, office hours 7:30 a.m. to 4:00 p.m. ET.

Meat and Other Goats:

Number by Class, State and United States,
December 31, 2002 and January 1, 2005

State	:	2002 1/	:	2005
AL	:	47,270	:	37,800
AZ	:	4,272	:	4,000
AR	:	26,578	:	27,000
CA	:	61,241	:	50,000
CO	:	11,976	:	16,000
FL	:	36,020	:	36,000
GA	:	66,018	:	77,000
ID	:	6,683	:	5,200
IL	:	12,142	:	11,000
IN	:	20,045	:	15,800
IA	:	9,666	:	13,000
KS	:	19,797	:	27,000
KY	:	61,618	:	63,500
LA	:	13,641	:	12,500
MI	:	10,785	:	8,500
MN	:	11,084	:	8,000
MS	:	24,788	:	14,100
MO	:	37,515	:	34,800
NE	:	8,204	:	13,000
N ENG 2/	:	9,783	:	10,000
NM	:	10,095	:	7,300
NY	:	19,539	:	18,100
NC	:	58,993	:	52,200
OH	:	28,439	:	34,000
OK	:	73,302	:	65,000
OR	:	19,222	:	21,700
PA	:	26,257	:	22,000
SC	:	37,985	:	41,000
TN	:	107,211	:	98,000
TX	:	941,783	:	1,010,000
VA	:	35,710	:	34,400
WA	:	14,265	:	14,000
WV	:	14,326	:	11,700
WI	:	8,634	:	6,400
	:		:	
Oth Sts 3/	:	44,037	:	45,000
	:		:	
US	:	1,938,924	:	1,965,000

APPENDIX VII

SURVEY OF YAKIMA VALLEY GOAT MEAT RETAILERS

1. How long has your market been in operation?

6 years	2 months	3 months
1 year	4 months	7 years
4 years		
2. How long have you been retailing goat meat?

6 years	2 months	3 months
1 year	2 weeks	4 years
4 years	4 months	
3. To what extent are you able to meet your customers' goat meat needs? (Cuts, quantity, seasonality, holidays)

All	All	All
Fully	Cuts	Can do what ever
Can provide all	Very limited	
4. What types of cuts do your customers want?

All	All	Leg
All	Any kind	For beria; the whole thing
All	All	
5. What types of cuts are your customers NOT interested in?

Head-stomach	None that I know of	Head and costilla (?)
None	None	None
None	Not the head	
6. What meat characteristics do your customers prefer? (Color, finish, tenderness, texture, flavor, etc.)

Tenderness	All	Fresh
All	Freshness	Ribs, legs, back
Fresh-All	Tenderness- always ask the age	
7. What other animal characteristics do your customers prefer? (Intact males versus wethers versus does; age; breed; weight)

Machos-Males	How ever it is ordered	Intact males
Leg – Piliway -	For beria	
None – varies	The smell	
8. Do you prefer receiving whole carcasses or cuts?

Comes in pieces	Cuts	The whole piece
All	Cuts	Cuts
Cuts	Legs, ribs, neck parts	
9. How do you prefer to receive carcasses? (Hide on or off, heads on, size/weight, gender)

Heads off- 40 & 60 lbs.	Heads off	No heads. Just comes in packages
No Heads – packed	No head	
Off Head	Without head	6 or 3-way cut
	Heads off	
10. Do you prefer chilled or frozen cuts and/or carcasses?

Always frozen	Fresh	Frozen
Frozen cuts	Frozen	Frozen cuts
Frozen	Frozen	

11. How would you like your carcasses and/or cuts packaged?
- | | | |
|----------|--------|-----------|
| Packaged | Packed | Packaged |
| Packed | Packed | 6 or 3-wa |
| Packed | Cuts | |
12. From where do you currently receive the goat meat that you retail?
- | | | |
|-----------------|---------------------------|------------------------|
| Rice meats | Frontier | Frontier, Local; Pasco |
| California | IBP-Yakima | Seattle, Pasco |
| Local, Portland | Frontier-Pasco; Australia | |
13. What form is this meat in? (Fresh whole/half/quarter carcass, frozen whole/half/quarter carcass, fresh cuts, frozen cuts, hide on, head on)
- | | | |
|-----------------------------|--|-------------------------------------|
| Frozen- 6 way or 3 way cuts | Frozen – Frozen cuts
¼ cut and frozen | Packaged meat parts
Pieces – ¼'s |
| Small packages | ¼ & ½ Cuts | Pieces |
14. How much work is necessary to make this meat ready for retail?
- | | | |
|----------|-----------------|---|
| None | Not much | It comes packaged- they ask for some different parts and I get it as is |
| Not much | No | |
| None | Just to cut 4x4 | |
| None | | |
15. What type of labor are you willing to invest to make meat ready for retail?
- | | | |
|------|------|-------------------------------|
| None | None | No more than 15 min. per case |
| - | No | |
| All | No | |
16. What price are you paying for wholesale goat meat?
- | | | |
|---------|---------------------|------------------------|
| Varies | Varies | Did not want to answer |
| Differs | \$1.89 | |
| Depends | \$1.40 | |
| | Box- 40lbs- depends | |
17. What prices are you retailing goat meat at?
- | | | |
|---------|----------------------|------------------|
| Varies | Varies | \$1.99 or \$0.99 |
| \$1.59 | \$3.99 | \$2.45 |
| Depends | Varies \$2.09-\$2.39 | |
18. If fresh, local USDA-inspected goat meat were available to you on a regular basis, would you be interested in retailing it?
- | | | |
|-------|-----------------------------------|---|
| Yes | Fresh hard to get | Don't like frozen-needs to be inspected |
| Yes | Don't want fresh | |
| Yes | | |
| Maybe | Frozen- the smell is bad if fresh | |
19. Would you be willing to pay a premium for fresh, locally produced goat meat?
- | | | |
|----|---------|-------------------------------|
| No | Depends | Not fresh, it comes processed |
| No | Yes | |
| No | No | |
| No | | |
20. Do you think your customers would be willing to pay more for fresh, locally produced goat meat than frozen imported meat?

No		No	No
No	Fresh		No, they are ok with frozen
	No Interest		No, ok with frozen

21. Do your customers have access to farm gate, direct-marketed or other sources of whole or half carcasses?

Yes, ranches

Yes, locally

Yes

Yes- ranch

Don't know

Local ranches

No- not able to get live goat

Won't go to ranches

APPENDIX VIII

Taken From:

<http://agr.wa.gov/FoodAnimal/CustomMeats/LicenseAppInfo.htm#CustomMeatFacility>

License Application & Information

The WSDA Custom Meat Program licenses persons that slaughter or process un-inspected meat food animals such as cattle, sheep, goats and swine for the sole consumption of the owner. The license categories are: Custom Meat Facility, Custom Slaughtering Establishment & Custom Farm Slaughterer.

Contents:

- Steps to Take
- Custom Meat Facility
- Custom Slaughtering Establishment
- Custom Farm Slaughterer
- Custom Slaughtering Pre-Inspection General Checklist
- License Application
- Custom Slaughter Beef Tags

STEPS TO TAKE

Review Chapter 69.04 RCW - Intrastate Commerce in Food, Drugs, and Cosmetics (formerly: Food, Drug and Cosmetic Act).

Review Chapter 16-19 WAC - Custom Slaughterer-Handling of Custom Meat Food Animal Carcasses at Meat.

Review Chapter 16.49 RCW - Custom Slaughtering.

Review the requirements for sanitary operations of custom meat facilities, custom farm slaughtering and custom slaughtering establishments as found in Title 21 CFR Part 110-Current good manufacturing practice

All zoning, sanitation, water, building permits and physical plant requirement must be met before granting a license. [Check with your local county health department.](#)

Complete the application and send it with the required license fee to the Olympia office. (Once the application and license fee have been received a Food Safety Officer will contact you and set up a date and inspection). If you are not approved for licensing we will refund your licensing fee.

The license is non-transferable. Therefore if you sell your business the new owners must pass a licensing inspection and obtain a new license, if you move to a new location you must pass a licensing inspection to obtain a new license for the new location,

Custom Slaughter Licenses expire June 30th each year, regardless of the date the original license was issued.

Custom Meat Facility Requirements

Custom Meat Facility means the facility operated by any person licensed by WSDA who engages in the business of preparing un-inspected meat for the sole consumption of the owner.

- The custom meat facility must meet the requirements for sanitary operations under the provisions of Chapter 16-19-300 WAC.
- Before issuing any license to operate as a custom meat facility, the department must inspect the applicant's premises and slaughtering equipment to determine that the facility is properly constructed, has the proper sanitary and mechanical equipment, and is capable of being maintained in a sanitary manner as required.

All zoning, sanitation, water, building permits and physical plant requirements must be met before granting a license. [Check with your local county health department.](#)

Beef Slaughter Tags

WAC 16-620-250 Brand identification on slaughtered cattle by owner.

Any person slaughtering his own cattle shall, in lieu of brand inspection prior to slaughter, make the same identification as required of a licensed slaughterer under WAC 16-620-230 on a certificate of permit as prescribed in RCW 16.57.275 if the carcass is to be transported to a custom cutting and wrapping facility. No custom cutting and wrapping facility may receive a carcass from other than a custom farm slaughterer mobile or fixed location or an officially inspected slaughterhouse unless it is accompanied by the certificate of permit. Such custom cutting and wrapping facility shall, when the carcass is accompanied by a certificate of permit, place an official Washington slaughter tag on each quarter of the carcass. These tags must remain on the quarters, for identification, until processing.

Custom Slaughtering Establishment Requirements

Custom Slaughtering Establishment means the facility operated by any person licensed by WSDA who may engage in the business of slaughtering meat food animals only for the consumption of the owner at a fixed location.

- The custom slaughtering establishment must meet the requirements for sanitary operations under the provisions of Chapter 16-19-200 WAC.
- Upon receipt of application, the director will provide for a hearing to be held in the area where the applicant intends to operate a custom slaughtering establishment.
- No person shall operate a custom slaughtering establishment without first establishing the need for such an establishment (chapter 16.49.454 RCW).

- Additional information required with your application at time of submission:
- The location of the facility to be used.
- The day or days of planned operation.
- The distance to the closest official slaughtering establishment (USDA/WSDA).
- Whether the facility already exists or is to be constructed.
- Floor plan and elevation drawing of existing or proposed facility.
- Statement as to "WHAT IS THE NEED".
- Before issuing any license to operate as a custom meat facility, the department must inspect the applicant's premises and slaughtering equipment to determine that the facility is properly constructed, has the proper sanitary and mechanical equipment, and is capable of being maintained in a sanitary manner as required.

All zoning, sanitation, water, building permits and physical plant requirements must be met before granting a license. [Check with your local county health department.](#)

Beef Slaughter Tags

WAC 16-620-250 Brand identification on slaughtered cattle by owner.

Any person slaughtering his own cattle shall, in lieu of brand inspection prior to slaughter, make the same identification as required of a licensed slaughterer under WAC 16-620-230 on a certificate of permit as prescribed in RCW 16.57.275 if the carcass is to be transported to a custom cutting and wrapping facility. No custom cutting and wrapping facility may receive a carcass from other than a custom farm slaughterer mobile or fixed location or an officially inspected slaughterhouse unless it is accompanied by the certificate of permit. Such custom cutting and wrapping facility shall, when the carcass is accompanied by a certificate of permit, place an official Washington slaughter tag on each quarter of the carcass. These tags must remain on the quarters, for identification, until processing.

Custom Farm Slaughterer Requirements

Custom Farm Slaughterer means any person licensed by WSDA to engage in the business of slaughtering meat food animals only for the consumption of the owner through the use of an approved mobile unit.

- The mobile custom farm slaughtering units must meet the requirements for sanitary operations under the provisions of Chapter 16-19-100 WAC.
- Mobile custom farm slaughtering units must have:
- A van body completely covering the unit, but which may exclude the driver's cab and the hoist. The van body must be made of material that is nonporous and impervious to moisture.
- A hoist of 2,000 pound capacity, capable of lifting a beef carcass to a height that enables the carcass to clear the ground for bleeding and evisceration.

- A sterilizing tank constructed of smooth, cleanable, impervious and durable material, large enough to allow complete sanitizing of tools used in the slaughtering operation.
- A water tank built into the vehicle constructed of smooth, cleanable, impervious and durable material with a minimum capacity of forty gallons.
- Custom farm slaughtering-Identification of carcass and parts of carcasses. Each operator must obtain from WSDA prior to slaughtering an animal, an approved tagging device for identifying each carcass slaughtered (Chapter 16-19-130 WAC).

Before issuing any license to operate as a custom farm slaughterer, the department must inspect the applicant's mobile unit and slaughtering equipment to determine that the mobile unit is properly constructed, has the proper sanitary and mechanical equipment, and is capable of being maintained in a sanitary manner as required.

Beef Slaughter Tags

WAC 16-620-240 Slaughter Tag.

Any person licensed as a custom farm slaughterer shall, in lieu of mandatory brand inspection, complete and attach an official department of agriculture paper slaughter tag to each of the four quarters of all slaughtered cattle handled by that slaughterer. These tags must remain on the quarters until the quarters are cut and wrapped. The department will maintain a surveillance and enforcement program to assure compliance with these regulations).

WAC 16-620-250 Brand identification on slaughtered cattle by owner.

Any person slaughtering his own cattle shall, in lieu of brand inspection prior to slaughter, make the same identification as required of a licensed slaughterer under WAC 16-620-230 on a certificate of permit as prescribed in RCW 16.57.275 if the carcass is to be transported to a custom cutting and wrapping facility. No custom cutting and wrapping facility may receive a carcass from other than a custom farm slaughterer mobile or fixed location or an officially inspected slaughterhouse unless it is accompanied by the certificate of permit. Such custom cutting and wrapping facility shall, when the carcass is accompanied by a certificate of permit, place an official Washington slaughter tag on each quarter of the carcass. These tags must remain on the quarters, for identification, until processing.

Custom Slaughtering Pre-inspection General Checklist

Building & Grounds

- Are outside premises free from spillage, trash, etc., which may attract or harbor rodents or other pests?
- Is adequate drainage provided to avoid contamination of facilities and products?
- Is the building of suitable construction and generally in good physical repair?
- Are floors, walls and ceiling constructed of easily cleanable materials and kept clean and in good repair?
- Are contact surfaces protected from contamination from pipes, etc., over working areas?

- Are processing areas effectively separated from other operations that may cause contamination?
- Are doors, windows and other openings protected to eliminate entry by insects, rodents and other pests?
- Are open windows screened and are loading doors kept closed when not in use?
- Is interior lighting sufficient to allow adequate inspection and cleaning of premises?
- Are processing areas protected against contamination from breakage of light bulbs and other glass fixtures?
- Is all refuse properly stored and protected where necessary from insects, rodents and other pests and disposed of in an adequate manner?
- Does firm have a scheduled cleaning and pest control program, including at least weekly inspections by qualified employees?

Equipment & Utensils

- Are all utensils and equipment constructed of adequately cleanable materials and suitable for their intended uses?
- Are all utensils and equipment cleaned and sanitized at intervals frequent enough to avoid contamination?
- Are utensils and portable equipment stored so as to protect them from splash, dust and other contamination?

Sanitary Operations

- Is cleaning of facilities done in such a manner as to avoid contamination of food products?
- Are detergents, sanitizers, hazardous materials and other supplies used in a safe and effective manner?
- Are cleaning compounds and hazardous materials kept in original containers, stored separate from food products?
- Are the processing areas maintained free of insects, rodents and other pests?
- Is processing conducted in a manner as to prevent contamination and minimize harmful microbiological growth?

Custom Slaughter Beef Tags

- Carcasses or parts of carcasses processed by a custom farm slaughterer, custom meat facility or custom slaughtering establishment must be identified by an approved tagging device obtained from WSDA.

APPENDIX IX

On the following page is a sample spreadsheet for MicroSoft Excel. An interactive online version can be found at:

<http://www.sheepandgoat.com/Spreadsheets/meatgoatbudget2004.xls>

Entire resources of interactive sample spreadsheets are available online at:

<http://www.sheepandgoat.com/articles/economics.html>

SAMPLE MEAT GOAT BUDGET

by Susan Schoenian

Annual kidding

You can only edit values highlighted in yellow.

HERD COMPOSITION:		PRODUCTION PARAMETERS	
Number of Does	30	Percent kid crop raised	170%
Number of Bucks	1	Doe replacement rate	20%
Adult death loss	5.0%	Buck Replacement Rate	33%

INCOME CALCULATION:	No. Head	lbs./hd	Net Price	Unit	Total	Per doe
Market kids	45.0	70	\$1.00	lb.	\$3,150	\$105.00
Cull does	4.5	90	\$0.75	lb.	\$304	\$10.13
Cull bucks	0.33	170	\$0.75	lb.	\$42	\$1.40
Other income					\$0	\$0.00
TOTAL INCOME					\$3,496	\$116.53

OPERATING COSTS:	No. Head	Amt/hd	Unit	Cost	Total	Per doe
Feed costs						
Hay	31	0.25	ton	\$90.00	\$698	\$23.25
Grain	31	135	Lb.	\$0.09	\$377	\$12.56
Salt and Minerals	31	12.0	Lb.	\$0.16	\$60	\$1.98
Supplemental feed for kids	51	0.0	Lb.	\$0.10	\$0	\$0.00
Pasture maintenance	82	6.0	Lb.	\$30.00	\$180	\$6.00
Health program		doses				
Deworming (adults)	31	3	doses	\$1.00	\$93	\$3.10
Deworming (kids)	51	3	doses	\$0.75	\$115	\$3.83
CD-T booster (adults)	31	1	doses	\$0.50	\$16	\$0.52
CD-T vaccinations (kids)	31	2	doses	\$0.50	\$31	\$1.03
Other vet costs	31		head	\$4.00	\$124	\$4.13
Buck replacement	0.33		head	\$250.00	\$83	\$2.75
Bedding	31		head	\$3.00	\$93	\$3.10
Marketing and Hauling	50		head	\$5.00	\$249	\$8.31
Supplies	31		head	\$3.00	\$93	\$3.10
Additional Cost			Total cost	\$0.00	\$0	\$0.00
Additional Cost			Total cost	\$0.00	\$0	\$0.00
Interest on operating money	5.0%		Cost for 6 months		\$55	\$1.84
TOTAL OPERATING COSTS					\$2,265	\$75.49

RETURN TO LAND, LABOR AND CAPITAL					\$1,231	\$41.03
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COST PER POUND LIVE WEIGHT						\$0.61
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COST PER POUND CARCASS WEIGHT		Yield	47.0%			\$1.30
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