Welcome and Project Overview
by Darin Saul,
Assistant Director, University of Idaho Office of Community Partnerships

Welcome to the first of several newsletters exploring the feasibility of developing small-scale USDA inspected livestock processing in north Idaho and eastern Washington. This project— Developing Strategies to Increase Prosperity for Small Farms through Sustainable Livestock Production, Processing and Marketing—began in spring 2011.

Our goal is to find ways to increase profits for small and medium-sized livestock producers, with a focus on understanding the tradeoffs of different strategies for overcoming the lack of small-scale processing options.

We will research the feasibility of developing the facilities and resources for production, processing and marketing options not currently available to small and medium-sized livestock producers in our study area, especially those needed to sell livestock products into local markets such as restaurants, grocery stores and other venues that require USDA inspected processing.

The first year of the project involved developing background information and collecting data, as well as a first round of public forums to gather feedback on the project. Over the next year, we will share the results of our research through this newsletter and public meetings. We have been happy with the interest in the project and with preliminary results from our research. We look forward to continuing this conversation with you over the next year.

Thanks for your time, and if you have any questions, please get in touch!
Small Farms and Livestock Project Study Area

The number of farms with beef cows, especially those with fewer than 50 beef cows, has decreased over the last 20 years.

Livestock Producer Forums

<table>
<thead>
<tr>
<th>DATE</th>
<th>LOCATION</th>
<th># ATTENDEES</th>
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</thead>
<tbody>
<tr>
<td>May 2011</td>
<td>Sandpoint</td>
<td>20</td>
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<tr>
<td>August 2011</td>
<td>Moscow</td>
<td>23</td>
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<tr>
<td>November 2011</td>
<td>Lewiston</td>
<td>10</td>
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<tr>
<td>March 2012</td>
<td>Lewiston</td>
<td>8</td>
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<td>April 2012</td>
<td>Palouse</td>
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<tr>
<td>May 2012</td>
<td>Cottonwood</td>
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<tr>
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<td>Post Falls</td>
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ATTEND THE REGIONAL FORUM
(for producers from all counties in the study region)

November 2012
Date and Location To Be Announced

JOIN OUR MAILING LIST
Keep up to date on what's happening with this project
Email us at: livestockproject@uidaho.edu
University of Idaho Students at Work

**Jennifer Boie**, Research Assistant, UI Sustainability Center and doctoral student in the College of Natural Resources (2011- ). Jennifer is determining livestock producer interest in local processing and livestock supply in the project area. Jennifer is developing and analyzing surveys, interviewing livestock producers, and organizing producer forums.

**Sandy Kralik**, Research Assistant, UI College of Business and Economics (2011-2012). Sandy developed a process model showing farm to auction and farm to processing plant, interviewed custom-exempt meat processors, and mentored two student teams working on grant-related projects.

**Brita Carr**, Research Assistant, UI Sustainability Center (2011-2012). Brita worked with the project team developing and analyzing surveys, interviewing meat processors, and organizing producer forums.

**Nestor Guzman**, Research Assistant, UI College of Business and Economics, (2012- ). Nestor is developing a research proposal to survey and interview meat managers, and analyzing the data from meat processor interviews.

**Casey Hayward**, Research Assistant, UI College of Business and Economics (2012- ). Casey has developed a press release process for producer forums, and is researching rancher meat processing cooperatives.

**Kyle Merslich**, Research Intern, UI Office of Community Partnerships (2012). Kyle will collaborate with the Odessa Public Development Authority for the Cattle Producers of Washington (CPoW) to collect data for a case study of the development of a local livestock processing cooperative and the construction of a small livestock processing facility in Odessa, WA.

**William Ridley**, M.S. student in the Dept. of Agricultural Economics (2011- ). Bill is involved with survey data, empirical analysis, and write up of the demand analysis for local beef. One study assesses how locality and method of production and price of beef and beef products influence purchasing preferences. Another study quantifies consumers’ preferences for locally-produced beef by estimating the demand elasticities.

**Daniel Roop**, Research Assistant, Dept. of Biological and Agricultural Engineering (2011- ). Danny is conducting the environmental life cycle analysis of the locally-grown and processed beef compared to regionally-processed beef. Danny has visited several farms to interview farmers and has developed a production model and greenhouse gas calculation.
Highlights from Community Forums
Livestock Producers Share Expertise, Concerns, and Questions

Feedback and concerns gathered from community forums include:

- Small-scale livestock producers tend to prefer a facility where they can drop off livestock and have processors do the rest.
- There is need for consumer education about terms such as USDA certified or inspected, organic, naturally-grown.
- How much more are consumers willing to pay for locally-grown and other specialized livestock?

- Concerns about water quality and meeting federal regulations related to livestock production.
- Are governmental regulations affecting supply and demand? In what way?
- Livestock ranchers will need to communicate and collaborate more if a new or upgraded facility is to succeed.
- CPoW research shows over 3000 livestock are leaving Washington state for processing.
- Meat cutting schools are needed to help supply a trained labor force.
- Willing to drive up to 100 miles to a processing facility.
- Not many ranchers are interested in marketing.
- Is there overflow from larger processing plants that a new facility could handle?

Results of Market Survey

A market survey of consumers was conducted considering preferences for four types of beef: conventionally-produced, vaccination-only, all-natural, and certified-organic beef. Results showed:

- Not considering price, all-natural was most preferred by consumers, closely followed by organic.
- Consumers are willing to pay a price premium for all-natural beef, but not on top of that for organic.
- “Local” was commonly defined as within 100 miles for all-natural and organic.
- Regardless of production method, desire for beef is higher when it is purchased closer to origin.

Livestock producers share ideas with UI Research, Extension Faculty and Students at local forums.