

# Meat Community Supported Agriculture (CSA) Feasibility Study

September 2011

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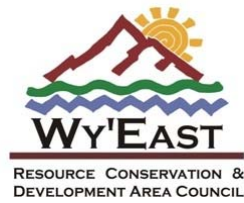


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## Executive Summary

Central Oregon is home to many livestock ranchers. While the majority of the livestock is sold on the commodity market, many ranchers are looking to alternative niche markets for their products. These markets provide ranchers the ability to have more control in the development of the market and provide one-one-one interaction with consumers. While this can be both a blessing and a burden, it reduces the effect of market fluctuations but also puts the burden of marketing a product on the rancher.

The purpose of this study was to analyze the feasibility of developing a meat CSA in Central Oregon. This was performed by conducting a consumer survey of preferences to buying a meat CSA as well as a direct market assessment. Our consumer survey found that the majority of respondents suggested that a Buying Club is the best business model. The products sold should include lower end cuts like ground beef and roasts but also include higher end cuts that consumers can choose from. A diversity of meat types including poultry and pork should be available. Product labels have been determined to be a useful marketing tool, with most respondents suggesting the terms “local”, “sustainable” and “organic” should be used. The price range per pound should vary between \$8.00-\$9.00, with half (5 pound) and full (10 pound) shares. As expected, most consumers are willing to purchase online but would like to have their share delivered to a centralized location.

Our direct market assessment found that the break-even point for the rancher (Ranch X) is \$4.13 per pound. These costs were calculated by assigning a market value to a weaned calf, evaluating the cost to feed that calf to the point at which it would be harvested, versus the cost of harvesting, processing and packaging a steer for direct market sales. In our comparison analysis of similar beef CSA’s, retail cost per pound ranged from \$5.85 for ground beef to \$13.65 for beef steaks. Given the preferences of survey respondents and the price comparison, it was found that the ideal retail share should be a 20lb share totaling \$180.20 (\$9.01/lb) and an 10lb share totaling \$72.08.

This study found that marketing beef through a CSA or a Buying Club is feasible and profitable. However, the transition from selling through the commodity market to a niche market can be difficult. While developing a niche market, producers should be aware that educating consumers on the value of purchasing locally will not only increase awareness but also trust in the product. A CSA or Buying Club could be marketed as a potential to strengthen ties between livestock producers and consumers within Central Oregon, giving residents not only the ability to purchase local foods but an opportunity to support their region’s agricultural landscapes.

## Introduction

Community Supported Agriculture (CSA) was developed as a marketing tool for local agricultural producers to provide food shares directly to the consumer. The first two CSA's in the United States were formed in 1986 in Massachusetts and New Hampshire. Growing at a rapid rate in the last 20 years, there are now thousands scattered throughout the nation. Local Harvest, a national database for direct markets, shows 183 listings in the State of Oregon (not including any unlisted CSA's). In the tri-county region of Crook, Deschutes and Jefferson there are at least eight farmers conducting vegetable CSA's.

The concept of a CSA was to limit the risk for farmers and to sell fresh and seasonal food. Ideally, a CSA will provide a direct relationship between the farmer and the consumer; build a community around food; and provide an opportunity for consumers to learn about agriculture. The basic concept is that a farmer will offer a certain number of "shares" of their products to the public. Consumers can buy shares and in return receive a box of seasonal products. The producers and consumers will share the risks and benefits of food production. Typically, members or "share-holders" of the farm, pledge in advance, financial support to the farm operation. In return, they receive shares in the farm's bounty and satisfaction from reconnecting to the land and participating directly in food production (USDA, 2011). By providing direct sales to community members, growers receive better prices for their crops and gain financial security.

## Purpose of the Study

Utilizing a USDA Rural Business Enterprise Grant, Central Oregon Intergovernmental Council (COIC) partnered with Oregon State University Extension Service (OSU Extension) and a fifth-generation rancher (Rancher X) to analyze the feasibility of developing a meat CSA in Central Oregon, along with the possibility of expanding and cooperating with multiple ranches.

This study researched whether a Community Supported Agriculture direct market for beef would be feasible using beef from Rancher X and a Processor from Prineville, Oregon as a pilot with possible expansion and cooperation with multiple ranches in the future. Rancher X is a fifth-generation ranch that has utilized direct markets to deliver grass-fed beef for the past four years. Their current customer base includes two restaurants, 12 individuals, and the local farmers market. They market 25 animals in this manner per year. The Rancher has invested \$20,000 in a freezer to improve meat supply, distribution and storage and has the capacity to market up to 150 more animals.

The local USDA inspected meat Processor has been working with local ranchers for 25 years. They currently process 1,000 cattle per year in addition to pigs and sheep and are willing to expand infrastructure and employment to accommodate a stronger market.

The CSA will market value-added beef product as defined by Rancher X as locally grown, natural and grass-fed. It will link consumers from Central Oregon to a Crook County farm, and in the long-term, incorporate other Central Oregon farms. Consumers will be families, restaurants, schools and grocery stores.

## Scope of Work

There are two goals in this project: 1) to develop a customer base and identify characteristics of desired products through a survey 2) to determine a buying and selling structure such as a CSA or Buying Club.

**Goal 1:** Developing a potential customer base will be initiated with written and online surveys to the general public. The survey will aid in identifying consumer needs in regard to acceptability of a CSA, cuts of meat, quantity, delivery schedule, and pricing structure. Further one-on-one interviews with selected consumers will provide details as to development and implementation of a CSA, as well as a list of serious consumers willing to participate. This process will also be important to educate potential consumers about the theory and benefits of a CSA. Furthermore, it could strengthen ties between livestock producers and consumers within Central Oregon, giving residents not only the ability to purchase local foods, but the opportunity to support their region's agricultural landscapes.

**Goal 2:** The development of a CSA will require an evaluation of the product(s) available to consumers. This includes detailed information of the necessary customer base to market up to 100 cattle over the course of one-year. Information on the packaging of the product, availability to identified consumers, seasonality, cuts of meat, storage and pricing will be produced. Processing of animals will both effect and be affected by these details. The local butcher will be involved in creating a processing and packaging plan. The break-even price of raising and marketing 100 animals through this system will be calculated. This will aid in establishing pricing models for products marketed through the CSA.

One of the challenges in creating a CSA will be to establish a reasonable consistent supply of product to consumers on a regular basis. The challenge will include making sure all cuts of meat are utilized in a manner that is fair to all CSA members. CSA members may include retail and/or restaurants and families. It will be important to have a pre-established list of meats available. Retail and restaurants typically request high quality primal cuts, which also are the most valuable cuts of meat. Families must either accept limited availability of primal cuts or be able to pay a higher price for these cuts to be included in the package. There may also be seasonality in the cuts of meat available; regardless, consumer and rancher expectations will need to be aligned. Exploration of tiers of membership may need to be evaluated to accommodate all partners.

## Direct Market: Community Supported Agriculture and Buying Club

Direct markets for agricultural producers (farmers and ranchers) are growing and becoming more prevalent throughout the United States. Direct markets provide producers with a personal, one-to-one relationship with the consumer, such as a farmers' market. This allows producers to differentiate their products from others based on amenities such as types of products, growing conditions and unique tastes and flavors. An advantage for the producer is increased profit, variety of products and convenience. Examples of well known direct markets include farmers' markets, road-side stands, u-pick, cooperatives, and retail outlets such as restaurants or institutions. Lesser known, but equally as important markets are Community Supported Agriculture (CSA) and Buying Clubs<sup>1</sup>. For the purpose of this study we will focus on what drives Central Oregon consumers to purchase meat through an established system such as a CSA or Buying Club.

Typically there are two types of CSA structures: one is driven by producers, the other by consumers.

A *Traditional CSA* is producer driven where the producer organizes the CSA and manages the system. This structure could also be combined with more than one producer.

**Community Supported Agriculture (CSA)**'s consist of a community of individuals who pledge support to a farm operation so that the farmland becomes, either legally or spiritually, the community's farm, with the growers and consumers providing mutual support and sharing the risks and benefits of food production. Members or shareholders of the farm or garden pledge in advance to cover the anticipated costs of the farm operation and farmer's salary. In return, they receive shares in the farm's bounty throughout the growing season, as well as satisfaction gained from reconnecting to the land. Members also share in risks, including poor harvest due to unfavorable weather or pests.

Unites States Department of Agriculture  
[www.nal.usda.gov/afsic/csa/csadef.htm](http://www.nal.usda.gov/afsic/csa/csadef.htm)

**Buying clubs** allow their members to order food for periodic delivery, typically once a week. In some clubs, members place their orders at the end the month for the next four or five weeks; in other clubs, members place their orders more frequently. Unlike CSAs, buying clubs operate on a "pay-as-you-go" basis, allowing their members to order as much or as little food as they want from week to week. As with CSA deliveries, buying club members pick up their weekly orders from designated drop-off locations. The items offered in local food buying clubs are often not available to consumers anywhere else: artisan meats and cheeses, pastured and raw dairy products and heirloom varieties of local fruits and vegetables. Ordering food from local buying clubs is a great way for consumers to support local farmers and preserve the local environment, while at the same time enjoying fresh, seasonal and nutrient-rich foods.

Farm to City  
[www.farmtocity.org](http://www.farmtocity.org)

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<sup>1</sup> Swisher, M.E., and Sterns, J. An Overview of Small Direct Marketing. Florida Cooperative Extension Service, Institute of Food and Agricultural Sciences, University of Florida. Publication #FCS7211

A *Shareholder CSA* features a group of subscribers that hire a producer and submit weekly orders based on seasonality and availability; this is mainly managed by the subscribers<sup>2</sup>.

*CSA and Buying Club Combination* allows subscribers to pay for a traditional CSA, but gives them the option of supplementing their delivery with other options.

Potential advantages and disadvantages of a CSA market are:

**Table 1: Advantages and Disadvantages of a CSA Direct Market<sup>3</sup>**

Advantages	Disadvantages
Up-front payments help with cash flow	Hard "sell" because of the up-front cost to the consumer
Income doesn't depend on weather, such as rain at a farmers market, or crop prices (retail)	Requires quality consistency with variety of products
Acts as an "insurance policy" in case of crop failure	Member turnover
May help with labor shortage; many CSA members volunteer on farm	Requires highly organized producers and a core group of helpers
Satisfied members are great advertising	Delivery logistics can be complicated

As with any market, there are keys to success for value-added products. Direct markets can be more profitable, but can also be more volatile than traditional commercial markets. According to Holly Born, the *Keys to Success in Value-Added Agriculture* in the short run are:

- Start small and grow naturally
- Create a high-quality product
- Follow demand-driven production
- Make decisions based on good records
- Keep informed
- Plan for the future
- Continuous evaluation
- Perseverance
- Adequate capitalization

And, in the long run:

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<sup>2</sup> Adam, Katherine L. ATTRA Community Supported Agriculture. 2006

<sup>3</sup> Swisher, M.E., and Sterns, J. An Overview of Small Direct Marketing. Florida Cooperative Extension Service, Institute of Food and Agricultural Sciences, University of Florida. Publication #FCS7211



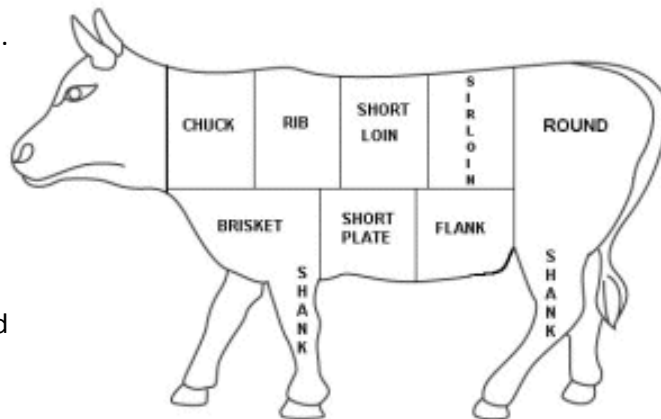
- Focus
- Establish a loyal customer base
- Choose something you love to do—and something that fits your personality and goals

Successful markets begin with consumer demand: what do consumers want? Value-added products are by their very nature unique. Because of this, starting slowly and developing a consumer base naturally is important. Consumers who buy through direct markets want to feel comfortable with their purchase and be assured that the product is high quality. Smaller operations are easier for producers to manage and allow for quick changes to be made on short notice. That said it is important to stay informed on the preferences of the consumer and to plan for future changes and/or additions.

## Beef Cattle

During the western movement in the late 1800's, Americans started to regularly consume beef products. In the early 1900's, the average annual amount of beef consumed was nearly 50 pounds. This decreased during the Depression, but steadily increased to 60 pounds in 2008 making the United States one of the largest consumers of beef in the world.

While most consumers have preferences for certain cuts of beef, generally most are not aware of the difference between primal and sub-primal cuts. This is important in so far as consumers are educated about the difference between the quality and price of cuts.



### Primal and Sub-Primal Cuts

Beef is divided into large sections call primal cuts: chuck, ribs, loins and rounds. These “primal cuts” are then broken down into retail cuts and steaks, called sub-primal. The most tender cuts of beef come from the rib and tenderloin, which are furthest from the horns and hooves, while leg and neck cuts tend to be the toughest.

#### Chuck

Chuck consists of the neck, shoulder blade and upper arm. This is generally tough and sinuous meat. It is good for braising, stews and roast. With a high fat content it is good for making burgers. Common cuts include: roasts, pot roasts, and short ribs.

#### Ribs

The center section of the ribs is the primal cut and is used for the rib roast; it is also where the rib-eye steak comes from. Common cuts include: back ribs, rib roast, and rib (eye) steak.

### *Loins*

The short loins contain many of the desirable cuts including t-bone , porterhouse, and strip steaks. The sirloin is good for roasting and barbequing. The tenderloin is one of the finest cuts, which includes filet mignon. Common cuts include: (short loin) top loin steak, T-bone steak, tenderloin steak and porterhouse steak; (sirloin) top sirloin steak, sirloin steak, tenderloin steak/roast, and tri tip.

### *Round*

The round is a fairly lean but tough cut. It is traditionally used as cube steak. Common cuts include: round steak, round roast, tip steak and rump roast.

### *Brisket, Plate, Shanks and Flank*

Brisket is a tough cut and is generally used for pot roast or corned beef. Plate includes the short ribs and the skirt steak, which is used to make carne asada and ground beef. The Shanks, or legs, are very tough and are not used much. The flank is often grilled and can be very tough. Common cuts include: brisket, shank, skirt steak and flank steaks.

## **Consumer Survey**

### **Materials and Methods**

In order to capture consumer preferences to a meat CSA (primarily beef), and to determine if a CSA in Central Oregon would be supported, surveys (paper and online) of consumers were conducted in August and September of 2010. The objectives were to identify consumer needs in regards to participation of a CSA, desired cuts of meat, quantity, delivery schedule, and pricing structure. The original scope of work for this survey would have included retail outlets and restaurants. Upon further discussion, this aspect of the study was not conducted as we felt that the timing was not appropriate to include businesses. This decision was based on a lack of infrastructure and timing on the part of Rancher X.

The survey was produced by Central Oregon Intergovernmental Council in coordination with Oregon State University Extension Service and Wy'East Resource Conservation and Development. The survey was mailed to 957 residents in Deschutes, Crook and Jefferson Counties through the OSU Extension Service Small Farm Program, and released online for a period of seven weeks. In total there were 126 responses.

### **Survey Results**

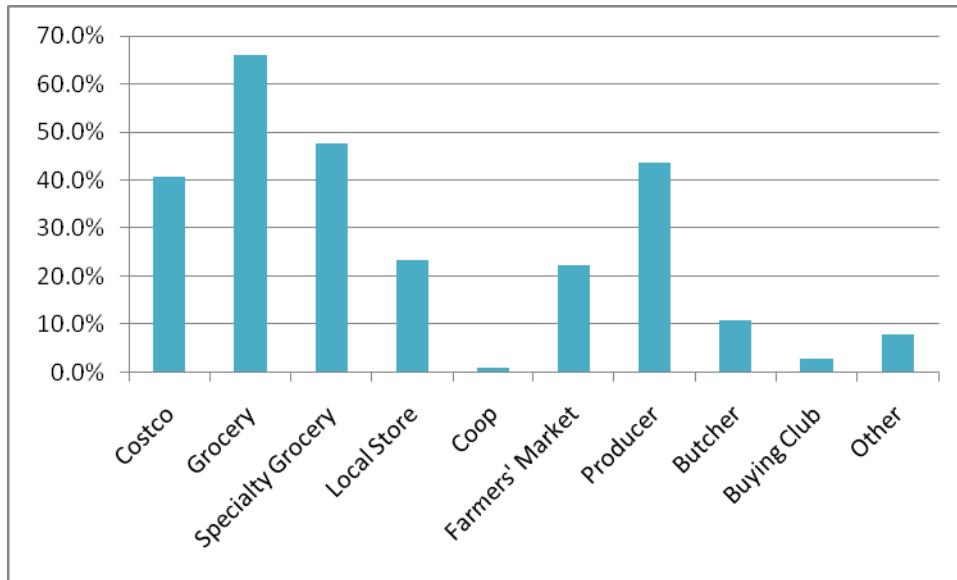
#### **Demographics**

Of the total survey respondents, 82% were female with the majority (29%) of respondents aged 34-45 years; the total age range was 18-75 years. Ninety-nine percent were from Oregon, one person was from California. The majority of respondents were from the city of Bend.

## Current Purchasing Practices

To learn more about the purchasing practices of consumers, respondents were asked a series of questions about where they shop and what they buy. When asked if they currently belong to a CSA, 26% answered yes; 11% of these respondents purchase meat through the CSA. When asked where people purchase their meat, the majority buys from a conventional grocery store, a specialty grocery store (such as Whole Foods or Trader Joe’s) or direct from the producer. Other purchasing options include: family, online retailer or self produced (Table 2).

**Table 2: Question: Where does your house currently purchase meat?**



When buying meat, most respondents purchase chicken (93%) and beef (90%) as their main meat source. Other meat sources include pork (79%), turkey (72%), lamb (40%), goat (20%) and venison (9%); duck, quail, fish, buffalo, seafood, bison, rabbit, alpaca and llama were listed as “other”. Of the top three meat purchases (chicken, beef and pork), a household will typically spend less on beef than on chicken.

**Table 2: Question: how much does your household spend per month on each type of meat?**

	<\$5	\$5-10	\$11-20	\$21-\$30	\$31-\$40	\$41-\$50	\$51-\$60
Beef	n=5	14	12	8	9	6	3
Pork	5	19	16	10	4	1	1
Chicken	3	9	18	15	7	8	4

### Philosophy and Motivations

It was important for us to understand what drives people to make certain purchases and whether humane practices or environmental values play a part in their decision making process. Labels are a key method for educating consumer and creating a unique identifier for a product. We asked respondent to rate their values and preferences for beef in order to understand what drives them to make certain purchases.

### Farming Practices

Our research shows that the most important farming practices in regards to beef products is that no antibiotics are used except for in cases where illness is involved (4.81 out of 5), and no antibiotics are ever used (4.6). Free range/roaming was the third most important value (Table 4).

**Table 3: Question: how important is it to you that the following farm practices are followed in regards to BEEF products? Scale of 1 – 5 (1 = Not important and 5 = Very important)**

No antibiotics (except for illnesses)	4.81
No antibiotics (ever)	4.61
Free range/roaming	4.32
No commercial fertilizer on forage for animal feed	4.10
Organic	3.99
No hormones	3.93
No pesticides on weeds	3.55

### Labeling of Products

When asked if third party labeling for organic is important, nearly half (46%) of respondents answered yes. Of those that answered yes, when asked if they would pay more for a beef product if it had a certain labels, the following (in order) were the most important: local, sustainable, organic, free range, grass finished and natural. Of those that answered no (they would not pay more for labels), the majority wouldn't pay for natural, organic, and grass finished.

Another important aspect to providing product labels is to know if people understand what the label means. Currently, ranchers are using “grass finished” and “grass fed” as value-added labels. We asked respondents if they are familiar with either of the aforementioned terms; 82% are familiar with grass finished; 96% are familiar with the term grain fed.

The majority of people said that they would prefer their beef to be entirely raised and finished on grass, while a little over a quarter of respondents didn't have a preference. The remainder agreed to raised on grass but grain finished.

**Table 4: Consumer Preferences**

<b>Does it matter if a 3<sup>rd</sup> party certifies your beef organic?</b>	
No	54%
Yes	46%
<b>Would you pay more for the following label?</b>	
Local	86%
Organic	66%
Sustainable	66%
Free range	66%
Grass finished	59%
Natural	46%
<b>Have you hear of the following terms?</b>	
Grain fed	96%
Grass finished	82%
<b>How would you prefer your beef be raised?</b>	
100% raised on grass	59%
No preference	28%
Raised on grass but grain finished	13%

As a follow up question, we asked why people chose to have their beef raised in a certain method. Health (54%) and animal raising conditions (54%) were the most important aspects of how livestock is raised. A close second was sustainability (46%) with taste (40%), amount of fat (32%) and no preference (17%) being of lesser concern. A few respondents said that their reasons were: cows are supposed to eat grass; they have concerns about what their kids eat; and not having genetically modified organisms (GMO) in their food.

### **Consumer Education**

In order to provide labels for people we thought it was important to know where people get their information. The majority (68%) of people have “personal knowledge” of what “good meat” is; almost half of respondents said that word of mouth is how they learn, followed by books, articles and scientific data, the World Wide Web and news. A few people cited specific books and referred to documentaries as a way of gaining knowledge about livestock raising practices.

### **Relationship to Farmer**

In an effort to know if consumers want to know their farmer and as a way to gauge if this could be a way to provide education opportunities, we asked respondents if it was important to visit or tour the farm where their beef is raised. It was nearly equally divided as to whether or not it was important.

### **Purchasing and Pricing**

The key to success of any business is to understand the purchasing practices of the consumer, why they eat what they do, what they buy and how much they pay for products. We asked respondents what statement best describes their expectations of buying beef from a local rancher. We found that people want to purchase good food, but are limited in what they can

afford. Our research found that there is an expectation that it should cost less to buy product farm direct as compared to buying at a specialty store or at a farmer’s market. Less than 10% of respondents will buy direct from a rancher no matter what the cost.

**Table 5: Question: If you were to buy beef direct from a rancher, which of the following statement(s) would apply to you?**

I want to “eat right” but my budget is limited	50%
I am willing to pay more than I would anywhere else to purchase from a local rancher	44%
I expect to pay less from a rancher than I would for the same quality beef at a specialty store	30%
I expect to pay less from a rancher than I would at a farmer’s market	26%
I don’t care about price	7%

### Beef Products

Determining the types of cuts consumers want will provide ranchers a better sense of how to process the livestock. When asked how important it is to have a choice of cuts, 64% of respondents stated that it was “generally” important, 15% said they would like to choose the cuts they don’t want, and 12% want to get exactly what they want. The table below shows the most popular types of cuts. Nearly half of people said that their preference is to have fresh meat through a CSA while 37% do not have a preference and 17% said they would like frozen meat.

**Table 6: What is your preference for cuts of beef (choose all that apply)? If you aren't familiar with specific cuts of beef, check the box next to the general type of cut (i.e. "Rib" or "Loin")**

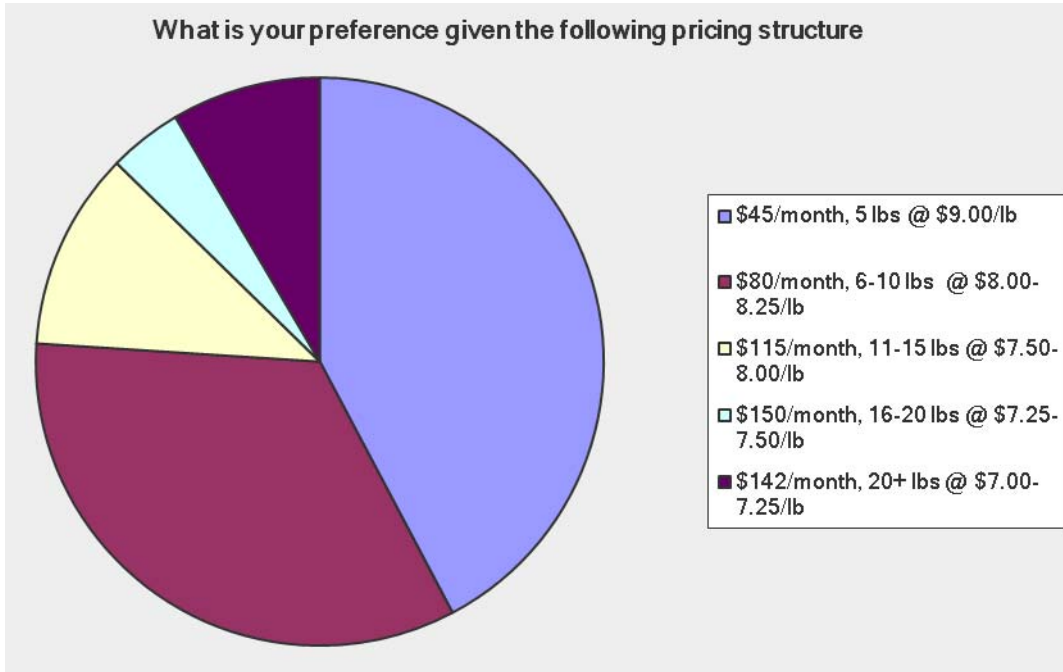
Answer Options	Response Percent	Answer Options	Response Percent
<b>Chuck (in general)</b>	14.3%	Sirloin - Tri-Tip Steak	35.7%
Chuck - Pot Roast	52.4%	Sirloin - Top Sirloin Steak	36.9%
Chuck - Steak	10.7%	<b>Round (in general)</b>	21.4%
Chuck - Shoulder	7.1%	Round - Top Round Steak	14.3%
Chuck - Short Ribs	13.1%	Round - Bottom Steak	8.3%
<b>Rib (in general)</b>	17.9%	Round - Round Tip Roast	13.1%
Rib - Roast	21.4%	Round - Sirloin Steak	20.2%
Rib - Steak	23.8%	Shank/Brisket	20.2%
Rib - Eye Roast	20.2%	Shank/Brisket - Shank Cross Cut	3.6%
Rib - Eye Steak	34.5%	Shank/Brisket - Brisket Flat Cut	17.9%
Rib - Back Ribs	11.9%	<b>Plate/Flank (in general)</b>	6.0%
<b>Loin (in general)</b>	28.6%	Plate/Flank - Skirt Steak	16.7%
Loin - Porterhouse Steak	22.6%	Plate/Flank - Flank Steak	23.8%
Loin - T-bone Steak	39.3%	<b>Other (in general)</b>	3.6%
Loin - Top Loin Steak	11.9%	Other - Ground Beef	73.8%
Loin - Tenderloin Roast	27.4%	Other - Cubed Steak	11.9%
Loin - Tenderloin Steak (filet mignon)	33.3%	Other - Stew Beef	48.8%
<b>Sirloin (in general)</b>	36.9%	Other - Kabob	22.6%
Sirloin - Tri-Tip Roast	38.1%	Other - Stir Fry	26.2%

### *Structure and delivery*

CSA structure and business models vary depending on consumer and producer preference, seasonality and a number of other variables. The preferred purchasing model was to buy in bulk (59%) – defined as choosing from a list of desired cuts – with only a third of respondents preferring a CSA model (31%). Eleven percent were interested in a cooperative model – defined as a group that buys a whole animal regularly and divides up cuts.

When asked about frequency of delivery, 37% stated that they would like to have a delivery once a month, 32% wanted twice a month, and 15% said they would like a quarterly delivery. Knowing what types of cuts people want to buy, we asked how much they would be willing to purchase per month. The majority of people (44%) said they could commit to buying 6-10 pounds, a third can buy less than five pounds and the remainder are willing to buy 11-20 pounds. Given a specified pricing structure, 43% said they would like to pay \$45/month for 5

pounds at \$9/pound.



### Purchasing Methods

In general, most respondents preferred to have a monthly payment plan using an online credit card system through email or online and delivered to a centralized location.

**Table 7: Purchasing Method Questions**

<b>What type of payment plan would work best for you?</b>	
Monthly	42%
No Preference	23%
Quarterly	22%
Annually	8%
Semi-Annually	6%
<b>What type of payment works best?</b>	
Online with credit card	46%
Check/Billpay	43%
No Preference	24%
Cash	16%
PayPal	10%
<b>What is your preference for making an order?</b>	
Email	54%
Website	53%
Phone	20%
No Preference	13%
Mail	3%



What is your preference for delivery?	
Centralized location	65%
Farm (near me)	26%
Farm (not near me)	5%
Deliver through the mail	5%

### *Diversity in Types of Meat*

In order to diversify the CSA we asked what, if any, types of additional meat products would they like to order. Chicken was the most popular choice following by pork, all of the above, turkey, buffalo, lamb and goat.

### **Summary of Survey Results**

In summary, a direct market for meat is plausible given the feedback provided by survey respondents. The majority of respondents suggested that a buying club is the best possible business model. The target audience are women in their 30's to 40's who are currently buying through convenience and specialty stores and are typically spending between \$15-60 per month on meat, about 30% of that on beef. A diversified option of meats should be available, and could include chicken, pork, lamb and/or goat, labeled local, sustainable and organic. Recognizing that most consumers have a limited budget, small portions of cuts should be offered with the option to purchase more quantities. In general, a share could include: 5 pounds with a minimum of tri-tip and pot roast, T-bone steak, ground and stew beef at a rate of \$9.00/pound. The share should be available at a centralized location in which the consumer pays beforehand using an online system.

- Target Audience: 30-40 year old women
- Purchasing Method: monthly payment online or by email
- Delivery: centralized location
- Extra: include chicken and pork options

**Table 8: Ideal Box Share**

Box	Type of cut	Lbs	\$/lb	Total
Full Share	Steak: t-bone, top sirloin, tri-tip, tenderloin and/or rib eye	10 lbs	\$8.00	\$80
	Tri-tip and/or roast			
	Ground beef			
	Stew beef			
Half Share	T-bone steak	5 lbs	\$9.00	\$45
	Tri- tip and/or pot roast			
	Ground beef			
	Stew beef			

## Interview with selected consumers

Follow up questions were asked of 13 people who had completed the survey and agreed to receive more information about the actuality of a meat CSA. Five additional questions were asked to determine their level of interest and preferences in a meat CSA.

### **Why would you purchase a meat CSA?**

In general, most people want to purchase meat from a local producer because of animal husbandry practices such as free range, grass-fed, hormone/antibiotic-free, locally grown and sustainable. Additional reasons were to decrease the carbon footprint and the use of petroleum products.

### **What qualities are you looking for in your meat?**

Respondents want meat that has good taste, flavor and freshness. Additional qualities were sustainable grazing practices, and the ability to choose types of cuts, the nutritional value of the product and fair pricing.

### **What other products would you buy from the following: chicken, pork, lamb, goat, pork, buffalo, and venison?**

The majority of people prefer to have chicken as a choice in their CSA as well as (in order of preference) buffalo, pork, lamb, goat, venison, rabbit and fish. Many people said they would only order a CSA if they had other options besides beef.

### **What are barriers for you to committing to buying a monthly box of meat products?**

The biggest barrier for people was the cost and the commitment to how much and how often they would need to purchase meat. Other people said they don't know how to cook meat and would prefer to have recipes and other helpful information.

### **On a scale of 1-10, how serious are you about committing to a meat CSA if it is available to you (1 = not serious, 10 = can't wait!)?**

The average value was 7, with a mode of 5.

## Direct Market Assessment

One of the goals of this project was to determine how to market 100 head of cattle direct to consumers through a CSA or Buying Club. The viability of this niche market will be determined in part by the development of explicit relationships between the producer and the consumer (individuals or businesses). This relationship is important because much of the value comes from the differentiation of the product origins, management practices and other attributes.

Following a beef product from farm to table provides transparency in the supply chain and maintains the chain of custody, which is key to sourcing food and providing a value added product. Knowing that this aspect is important to the success of a niche market, we approached this study by assessing the following aspects:

1. Retail commodity and direct market price comparison;
2. Cost-benefit analysis;
3. Comparing and profiling other CSA's throughout the nation;
4. Determining typical buying and selling structures.

## Price Structure

In order to provide a context for the price of cuts of beef, we will compare retail prices for both commodity and direct market products.

### Average Retail Pricing for Commodity Beef

The beef industry's retail prices for beef (Table 9) are the average retail prices for the selected product as reported by Bureau of Labor Statistics measured in dollars per pound for meat. In cases where it states "USDA choice", this is a quality grade given by the U.S. Department of Agriculture to describe high quality beef (and other meats) in terms of tenderness, juiciness and flavor. Choice is the second highest meat quality grade; prime is the highest grade. The average price ranges from \$2.68/lb for ground beef to \$6.23/lb for sirloin steak.

**Table 9: Average Retail Prices for Beef Cuts**

Type of Cut	Weight of Cow	Description	2011
Chuck	29%	Chuck roast, USDA choice	\$4.13
		Stew	\$4.20
Rib	9%	Short ribs, any primal source	\$4.44
Loin	16%	Sirloin steak, USDA choice	\$6.23
Round	22%	Round roast, USDA choice	\$4.36
		Steak round, USDA choice	\$4.55
Brisket, Plate and Flank	19%	NA	NA
Ground beef	23%	Lean/extra lean ground beef	\$3.72
		Ground beef, general	\$2.68

*Economic Research Data, July15, 2011*

Beef, like most industries, is a vertically integrated industry. The largest percentage of value is added to the product after it leaves the producer. Because beef is a commodity product, it is difficult to receive a premium at the retail outlet. Conventional marketing of beef provides little

incentive for producers to provide quality beef as there is no differentiation at a retail market on the product. Most often this is referred to as a price spread: the retail value of a product minus the net farm value; in layman’s terms it is the difference between the cost of a good or service and its selling price. In 2011, the average price spread (Table 10) provided the producer 49% of the retail value of their beef. This means that when a person buys beef at the store the producer received \$0.49 per dollar.

**Table 10: Price Spread of Beef**

Price Spread	Definition	Value
Farm to Wholesale	Wholesale value minus net farm value	\$0.37 / lb
Wholesale to Retail	Retail value minus wholesale value	\$2.04 / lb
Farmer Share	Net farm value divided by retail value	49%

*Economic Research Data, July15, 2011*

Studies have shown that consumers are willing to pay more for certain brands and labels, however this becomes difficult through a conventional market<sup>4</sup>. In an effort to obtain a higher price value for beef, producers are working both individually and collectively to set a premium price by providing a quality product through alternative or niche markets.

### Cost Benefit Analysis: Conventional vs. CSA

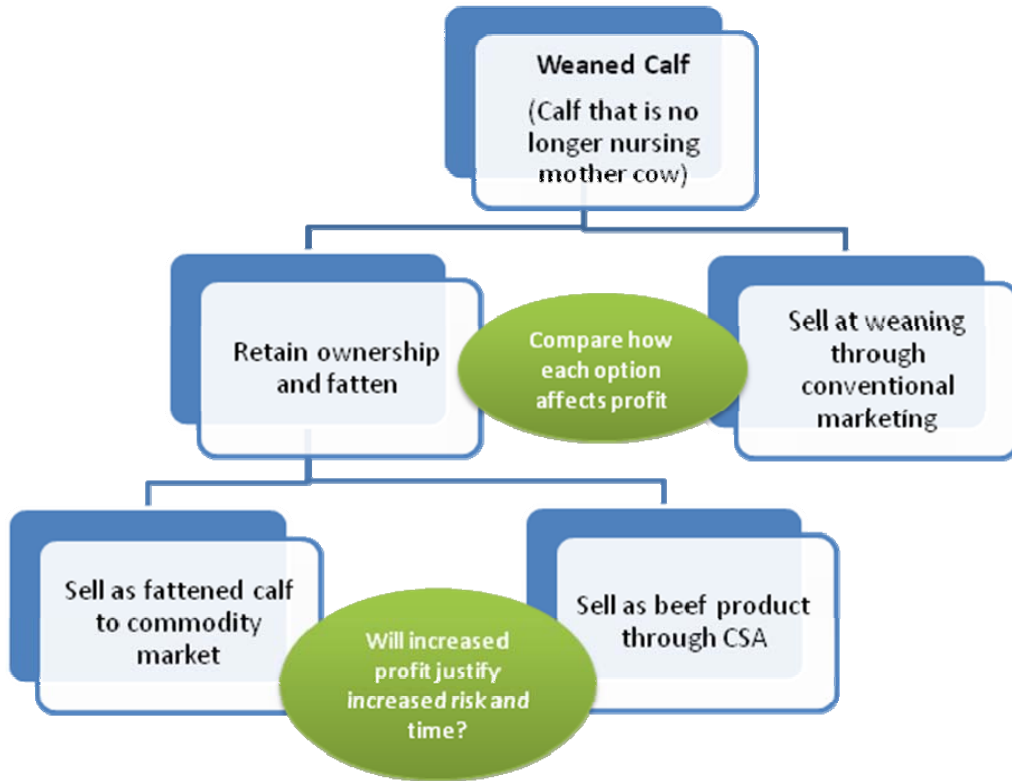
Evaluation of various marketing outlets for the producer is essential to determine if a CSA is viable and an economically attractive option as compared to other options. In the cow-calf sector, animals are typically sold to different sectors of the beef industry as the animal ages. Conventional beef production includes those that birth the animal and raise it to an age at which it can be weaned from its mother cow, typically 5-9 months of age and 450-700 lbs. That calf is typically sold as a “feeder” calf, meaning the calf will spend a period of time growing and fattening, this can be accomplished either on grass or in a feedyard. A second sale of the animal happens when the animal has reached its market weight and is ready to be harvested. The sale of the animal can be based on the live weight of the animal or on the weight of the carcass after it has been harvested.

For financial analysis, one should consider the break-even price, or the price at which one should sell the product in order to cover all cost. For the purpose of this discussion, break-even prices are calculated by assigning a market value of the weaned calf, evaluating cost to feed that

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<sup>4</sup> Dutton, J., *Estimating the Value of Brand and Attributes for Retail Fresh Beef Products*. 2007. Oklahoma State University.

weaned calf to the point at which it could be harvested, cost of harvesting, processing and packaging.



### Market Values

In 2011, at the time of this report, a 550lb steer was selling for \$1.40/lb, which is a total of \$770.00 for the producer if they sell it at auction. If the producer instead retains ownership, feeds and harvests the animal, the break-even would be \$1,735 per animal. Making this assumption, the retail value of a CSA product would need to be \$4.13/lb to be feasible. For the purpose of this discussion, the following assumptions were made:

Fat or butcher steer	1300lbs
Dressing percent*	55%
Carcass weight	1300 x 55% = 715lbs
CSA weight (60% of carcass weight)	715lb x 60% = 429lbs
Cost of gain**	715lbs x \$0.85 = \$607.75

*\*Dressing percent represents the meat and skeletal portion of an animal compared to its live weight.*

*\*\*Cost of gain is the total cost divided by the total pound gained; usually expressed on a per-pound basis. These totals include all feedlot-related costs (feed, yardage, processing, medicine, and death loss) divided by total gain during the feeding period.*

It was assumed that 60% of the carcass weight, which is 429 pounds, (715lbs x 60% = 429lbs) will be used in CSA retail boxes. Using the total weight of 429lbs and assuming the CSA boxes will be 20lbs each steer will provide a total of 21 boxes. The following are the total costs associated with harvesting, processing and packaging the meat

<b>Processing Fees</b>	<b>Cost</b>	<b>Total Costs (21 boxes)</b>
Kill fee (per steer)	\$65	\$65
Cut & wrap costs	\$0.55/lb (x 429lbs)	\$325.95
Box for packaging	\$1.50/box (packages of 20lb)	\$31.50
	<b>Total costs</b>	<b>\$332.45</b>
	<b>Cost per box</b>	<b>\$15.83</b>
	<b>Cost per pound to process</b>	<b>\$0.79</b>

Determining if a CSA will be advantageous for a particular producer requires careful economic analysis and can only be meaningful if accurate data is used for calculations. These calculations are intended for demonstration only. However, the concept is essential for business planning to ensure break-even prices are reasonable to both the producer (allowing for profit) and the consumer. It is also essential for producers to evaluate the various options for marketing, examining both profit potential and labor, time and lifestyle each of the options entail.

**Table 11: Breakeven prices for saleable products for market value steer versus CSA based on historical prices.**

Year	Commodity Market		Niche Market	
	5-Market Steer Price*	Average Fresh Beef Retail Market Value**	CSA Revenue (using commodity market retail \$/lb)	
	\$/steer	\$/lb	\$/steer	\$/20lb box
<b>2005-2009</b>	\$1,152.71	\$3.78	\$1,587.60	\$75.60/ box
<b>2010</b>	\$1,249.95	\$4.02	\$1,688.40	\$80.40/box
<b>2011</b>	\$1445.60	\$4.39	\$1,843.80	\$87.80/box

\* **Average value for the 5-market steer price** as published by AMS, measured in dollars per hundredweight live-weight basis

\*\***Retail Market Value** is based on average retail prices for the selected product as reported by Bureau of Labor Standards, measured in dollars per pound for meat.

At first glance it seems apparent that the CSA revenue for a steer is higher than the commodity prices. However, the CSA price does not reflect labor costs (including marketing) or fees associated with processing and packaging. If we deduct *only* the cost of fees (\$332.45 see above) the CSA revenue would be:

2005-2009	\$1,587.60 - fees = \$1,255.15
2010	\$1,688.40 - fees = \$1,355.95
2011	\$1,846.80 - fees = \$1,511.35

These prices are closer to commodity prices for steers, but still do not include labor costs. It is important to recognize that this is a direct comparison of the commodity market value of steer versus the niche market value of a steer using the average commodity market value of beef per pound. In the succeeding pages we will compare the price per pound of existing CSA shares as another reference point.

Ultimately, there is no single correct marketing endpoint for every operation; rather, each producer must explore options and enterprise budgets that are specific for them to determine the suitability of a CSA.

## Profile of Meat CSA Shares

Although CSA's have been around since the mid 80's, meat CSA's are not as prevalent. In order to integrate the current market price assessment with an appropriate buying structure, a comparison of current meat CSA's was performed. The following farms were profiled based on recommendations and internet searches. The overview of each farm provides background narrative, buying/selling structure and pricing.

### River Rock Farm – Brimfield, MA

River Rock Farm raises beef cattle and sells USDA inspected, natural, aged beef to retail customers and restaurants. Cattle are pasture raised without use of artificial growth hormones, growth stimulants, or artificial or antibiotic feed additives. The beef is available year-round at the farm and through home and office delivery service, providing service to the Boston area, Northampton/Amherst area, and many other areas in Massachusetts. During the spring, summer and fall they are at Massachusetts farmers' markets.

### North Mountain Pastures – Newport, PA

North Mountain Pastures sells naturally-raised meat, eggs, fermented pickles, cured meats and raw, grassfed cheese in central Pennsylvania and Washington, DC. Most of the products are grown on the family farm in Perry County, Pennsylvania. Other products are purchased from farmers. CSA memberships runs from July through November and are delivered to specific locations. Monthly payment plans are accepted. North Mountain Pastures also has a Buying Club where there are no membership fees, commitments or minimum orders. Online prices are

the same as directly off the farm, with a small delivery fee of \$5.00 per order. CSA members have no delivery fee and 5% off the total order. Participants order online from a list of items.

### **J&J – Tehachapi, CA**

J&J's goal is to provide the healthiest and highest quality all natural grassfed beef on the market. This is done by using consistent methods of sustainable production, intense management, high quality genetics and year round pasture grazing never confining animals to feed lots. The system encourages the health and wellness of the animals where cattle are never given antibiotics or growth hormones. The highest quality standards are kept and controlled through the entire process from the finishing, to processing, to delivery. CSA is delivered weekly or monthly to markets or drop locations.

### **Sweet Water Beef – Glenoma, WA**

Sweet Water Beef has been ranching for four generations. They raise beef from birth to brisket to ensure that things are done right and no shortcuts are taken. They believe in the law of the harvest, which states in part that "you reap what you sow". Because of this, they are completely vested in the welfare of the land, knowing that if they are good to the land, the land will be good to them. Sweet Water raises only grass-fed beef. Their beef is USDA inspected to ensure a quality product. The meat is dry-aged for at least fourteen days which serves to further tenderize the meat, concentrate and improve the meat's flavor, and reduce shrinkage in meat during the cooking process. Dry-aged beef will also keep longer in a freezer than conventionally processed meat. Their website includes value-added products included along with recipes, newsletter and blog

### **Deck Family Farm – Junction City, OR**

The Deck Family Farm raises grass-fed beef, pasture-raised pork and chicken, egg-layers and turkeys, young tender lamb, free-range goat, and grass-fed egg-laying ducks. Retail cuts are available at area farmers' markets. A CSA includes two 25lb mixed pasture boxes. Shares are divided up into one Grass Fed Beef, one Pasture Raised Pork, one Chemical Free Spring Lamb and the La Belle Rouge Roasters to assemble 32 boxes. Additional sides of meats can be added to orders.

### **Double F Ranch – Antelope, OR**

Double F Ranch is a 2,800 acre ranch located outside Antelope, Oregon. A family farm since homesteaded in 1902, today the ranch is managed by the third and fourth generations of the Forman family. They raise grass fed beef, pastured pork, pastured poultry and free range eggs for a monthly Meat CSA. All the meats are raised naturally outdoors in the Central Oregon sunshine. CSA memberships last six months and come in convenient 10 and 20lb per month sizes that enable families that do not have sufficient freezer space for a quarter or half a beef to be able to enjoy a consistent supply of delicious, locally produced meats. Shares are delivered monthly to Portland.



## DD Ranch – Terrebonne, OR

DD Ranch fresh pork and beef meat is ready year round. They offer fresh, steroid free, naturally grass fed beef and pork. They offer lamb at certain times each year. Meat can be purchased by quarters, halves, whole or by the package during the off season January through July 15<sup>th</sup>.

## Buying and Selling Structure

As previously discussed, most meat products are marketed as commodities based on USDA standards. Using this market, producers need to meet the commodity specifications; the rest is left up to the seller. In niche markets, the customer’s expectation is that the product meets their needs and desires. The goal then becomes providing a consistent and desirable product that meets consumers (ever changing) needs. CSA’s are considered a direct niche market. Other direct markets include Buying Club’s, farmers’ markets, mail order/online sales and retail outlets (if direct from producer to food business).

**Table 12: Direct Markets Used by Profiled Farms**

	Online	Farmers’ Market	Retail	Buying Club
North Mountain	●	●	●	
River Rock	●	●		●
J&J	●	●		
Deck	●		●	
DoubleF	●			
DD Ranch	●	●		

The most common outlet for selling a CSA is online either via a website or posting with a local food directory. This allows the consumer to have more control in their purchasing options. Many CSA’s offer consumers the option to purchase at their convenience at whatever frequency they desire while other CSA’s ask consumers to commit to becoming a member or ask for a yearly subscription. Discounts are often provided to those that commit to a longer term. For consumers who commit to buying a year-round share there are generally options for how much and what type of meat they want to purchase. When considering what direct market to use it is important to keep in mind the overall marketing strategy. This will define the target market and how to tailor the product, pricing, distribution and promotion strategies to satisfy the consumer.

## Average Retail Pricing for CSA’s

Recognizing that commodity prices are significantly different than direct market or niche market prices, we choose to compare price-per-pound of available cuts for each profiled farm. Though it is difficult to make a comparison given inconsistency in primal and sub-primal cuts, this comparison will provide a high level overview.

**Table 12: Average Price Comparison (\$/lb) of Beef CSA Shares**

	<b>Roasts</b>	<b>Steaks</b>	<b>Ribs</b>	<b>Ground</b>	<b>Sausage</b>
<b>Sweetwater</b>	\$ 9.67	\$ 11.10	-	\$ 4.50	-
<b>River Rock</b>	\$ 9.56	\$ 14.86	\$ 6.93	\$ 7.50	-
<b>J&amp;J</b>	\$ 9.00	\$ 14.80	\$ 7.13	\$ 6.25	\$ 7.50
<b>Deck</b>	\$ 16.99	\$ 17.82	\$ 8.74	\$ 6.25	\$ 9.49
<b>Double F</b>	NA	NA	NA	NA	NA
<b>DD Ranch</b>	\$ 5.00	\$ 9.64	-	\$ 4.75	\$ 6.75
<b>Average</b>	\$ 10.04	\$ 13.65	\$ 7.60	\$ 5.85	\$ 7.91

*Value added items may include: chicken, turkey, pork, lamb and jerky*

The USDA Monthly average retail price for beef on June 11, 2011 was:

<b>USDA commodity</b>	\$4.13	\$5.39	\$4.44	\$2.68	NA
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Each farm provides CSA box shares of beef and other types of meats. Though most of the boxes are not specific about the sub-primal cuts, for the most part ground beef, steaks and roasts were the most prevalent.

**Table 13: Comparison of CSA box shares (including other types of meats)**

Farm	Type of Share	Price	\$/lb
<b>North Mountain Pasture</b>	Original Share – beef (60%) and chicken (40%)	\$36 / 5lb \$70 / 10lb \$137 / 20lb	\$7.20/lb \$7.00/lb \$6.85/lb
	Everything share – 25% each beef, chicken, pork and lamb	\$69 / 9lb \$96 / 12lb \$166 / 20lb	\$7.60/lb \$8.00/lb \$8.30/lb
	Beef (30%), Chicken (30%) and Pork (40%)	Med \$104 Full \$144	NA NA
	Chicken Only Share (3 chickens/month)	\$317	NA
<b>River Rock</b>	Small box – steak, roast, and other cuts	\$85 / 6-8lb	\$14.17- \$10.63/lb
	Large box – steak, roast and other cuts	\$135 /10-12lb	\$13.50- \$11.25/lb
<b>J&amp;J</b>	Starter Pack – ground beef, steak, and roast	\$55 / 5.5lb	\$11.00/lb
	Family Value - ground beef, steak, roast, and specialty cuts	\$80 / 9.25lb	\$9.73/lb
	Family Value Plus - ground beef, steak, roast, specialty cuts and grilling roast	\$110 / 13.5lb	\$8.15/lb
	Family Bulk - ground beef, steak, roast, specialty cuts and grilling roast	\$140 / 16.75lb	\$8.36/lb
	Family Grill – ground beef, grilling roast and specialty grilling,	\$120 / 11lb	\$11.67/lb
<b>Deck</b>	Small Pasture Sampler – equal parts beef/pork and 1 chicken	\$155 / 15lb	\$10.30/lb
	Grassfed Beef Sampler – 100% beef	\$310 / 25lb	\$12.81/lb
	Spring Season Sampler – beef (40%), lamb (20%), pork (20%) and 1 chicken	\$280 / 25lb	\$11.20/lb
	Fall Season Sampler – beef (40%), lamb (20%), pork (20%) and 1 chicken	\$280 / 25lb	\$11.20/lb
<b>Double F Ranch</b>	Full Share - ground beef (25%), other beef (25%), pork (25%), chicken (25%) and 2 dozen eggs	\$130 / 20lb	\$6.50/lb
	Half Share - ground beef (25%), other beef (25%), pork (25%), chicken (25%) and 1 dozen eggs	\$70 / 10lb	\$7.00/lb
<b>DD Ranch</b>	Box Beef1 (2 T-bone or rib eye steaks, 2 ground beef)	\$31 / 3.5-4 lb	\$8.53/lb
	Box Beef 2(2 sirloins or top rounds, 2 ground beef)	\$22 / 3.5-4 lb	\$5.86/lb
	Beef Box 3 (1 rump roast, 1 chuck roast, 2 ground beef)	\$48 / 7.5 lb	\$6.40/lb
	Box Beef 4 (2 T-bone or rib steaks, 2 cube steaks, 2 soup bones or short ribs, 4 ground beef, 2 stew meat)	\$65 / 10.5 lb	\$6.19/ lb
	Box Beef & Pork 1 (2 sirloin steaks, 2 ground beef, 2 round steaks, 2 pork shoulder steaks, 2 pork sausage)	\$58 / 8.5 lb	\$6.82/lb
	Box Beef & Pork 2 (2 beef tenderloin, 2 sirloin steaks, 2 ground beef, 2 pork shoulder steaks, 2 spareribs, 2 ground pork, 2 pork sausage)	\$85 / 14.5 lb	\$5.86/lb

The overall average price for a beef CSA share is \$8.97/lb and is available in a range of sizes such as 5, 10 and 25 pounds. The range of prices is vast from as little as \$5.86/lb to as much as \$14.17 with the smallest option being 5 pounds per share and the largest 25 pounds per share.

## Break-Even Point

As price takers (individuals or companies not influential enough to affect the price of an item), producers are often at risk from a low commodity market price. This is a primary reason to consider a niche market, because the producer has a greater ability to influence the price of items. In the case of Ranch X, the calculated break-even point (when the income from the sale of a product equals the invested costs, resulting in neither a profit nor a loss) for a 20lb box is \$82.60 (\$4.13/lb); this does not include the costs of labor. Using this price (\$6.50/lb), Ranch X would make a profit of \$47.40. If instead we use the average price of all the cuts in Table 12 (\$9.01), Ranch X should charge \$180.20 providing them a profit of \$97.20. This price is more than double the break-even point for Ranch X. Incorporating this pricing with the survey results, the ideal share for Ranch X is:

**Table 16: Ideal Share for Ranch X**

<b>Ranch X</b>	Full Share (2) 3lb Chuck (1) 4lb Dinner Steak (T-bone, top sirloin) (1) 2lb Round steak (1) 8lb Ground Beef	20lb	\$180.20
	Half Share 3lbs roast and 7lbs of ground beef	10lb	\$72.08

## Summary of Direct Market Assessment

For a rancher the biggest barrier to entering a direct market is the break-even point. Through careful analysis of price structure for commodity and direct markets it was determined that the break-even point for Rancher X was \$4.13 per pound of beef. This price does not include cost of labor but does include the costs associated with raising, harvesting, processing and packaging. These costs were calculated by assigning a market value to a weaned calf, and evaluating the cost to feed that calf to the point of which it would be harvested versus the cost of harvesting, processing and packaging a steer for direct market sales. In our comparison analysis of similar beef CSA's, retail costs per pound ranged from \$5.85 for ground beef to \$13.65 for beef steaks. Given the preferences of survey respondents and the price comparison, it was found that the ideal share for Rancher X should be a 20lb share totaling \$180.20 (\$9.01/lb) and a 10lb share totaling \$72.08. This price is well above the average commodity price.

Production of agricultural products for value-added products in niche markets is new for Central Oregon. With limited infrastructure and access to the urban marketplace, producers are determining their options for accessing new markets. A CSA is one of a few niche markets, but has proven to be successful for vegetable growers. A Buying Club is preferred by respondents in the survey but to date is not as prevalent as CSA's. With support from regional organizations including Oregon State University Extension Service, agricultural producers are more likely to be successful with developing a marketing analysis and plan of action.

## Resources

Biodynamic Farming and Gardening Association

[www.biodynamics.com/csa.html](http://www.biodynamics.com/csa.html)

Building a Sustainable Business: A Guide to Developing a Business Plan for Farms and Rural Businesses

[www.sare.org/Learning-Center/Books/Building-a-Sustainable-Business](http://www.sare.org/Learning-Center/Books/Building-a-Sustainable-Business)

Community Supported Agriculture

<https://attra.ncat.org/attra-pub/PDF/csa.pdf>

Marketing Beef for Small-Scale Producers

[www.extension.org/mediawiki/files/0/00/Marketing\\_Beef\\_for\\_Small-Scale\\_Producers.pdf](http://www.extension.org/mediawiki/files/0/00/Marketing_Beef_for_Small-Scale_Producers.pdf)

Northeast Organic Farming Association of Vermont

<http://nofavt.org/market-organic-food/community-supported-agriculture>

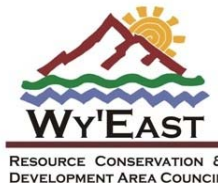
USDA National Agriculture Library: CSA Resources for Farmers

[www.nal.usda.gov/afsic/pubs/csa/csafarmer.shtml](http://www.nal.usda.gov/afsic/pubs/csa/csafarmer.shtml)

USDA National Agriculture Library: Community Supported Agriculture

[www.nal.usda.gov/afsic/pubs/csa/csa.shtml](http://www.nal.usda.gov/afsic/pubs/csa/csa.shtml)

## Appendix A: CSA Meat Survey



# COMMUNITY SUPPORTED AGRICULTURE (CSA) MEAT SURVEY

Thank you for participating in our Consumer Supported Agriculture (CSA) Meat Survey. Community Supported Agriculture is a popular way for consumers to buy local, seasonal food from agricultural producers. A CSA allows producers to provide a certain number of “shares” of their goods to the public for a fixed price and timeframe (such as a box of various cuts of beef once per month for a year, or a box of vegetables once per week throughout the summer). This provides consumers with locally grown products, and producers the ability to provide quality and sustainable products to the community.

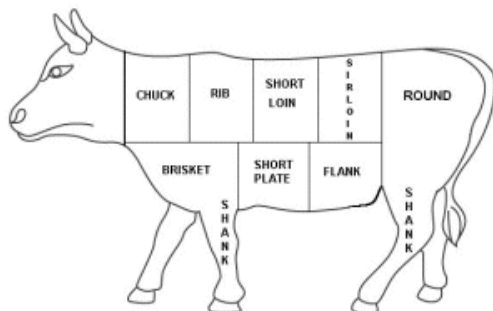
The **purpose of this survey is to gain a better understanding of the preferences of consumers to a CSA focused on a meat, primarily beef, to determine if a CSA of this type in Central Oregon would be supported by consumers.** Our objectives are to identify consumer needs in regards to participation of a CSA, desired cuts of meat, quantity, delivery schedule, and pricing structure.

This survey was produced by Central Oregon Intergovernmental Council in coordination with Oregon State University Extension Service and Wy'East Resource Conservation and Development.

If you have any questions regarding this survey, please contact:

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Barbi Riggs (OSU Extension Service) at [barbi.riggs@oregonstate.edu](mailto:barbi.riggs@oregonstate.edu); 541-447-6228



Please complete this survey by  
**September 18, 2010**

# SECTION 1: CURRENT PURCHASING PRACTICES

1) Do you currently belong to a Community Supported Agriculture (CSA)?  Yes  No

2) If you answered Yes to #1, do you purchase meat through your CSA?  Yes  No

Please answer the following three (2) questions in the space below:  
 (Do not include in the cost any meat that you raise, hunt or purchase at a restaurant).

3) What types of meat does your household purchase?

4) What is the percentage that your household spends on each type of meat?

5) How much does your household spend per month on each type of meat?

<input type="checkbox"/> Beef	_____%	\$ _____/month	
<input type="checkbox"/> Pork	_____%	\$ _____/month	
<input type="checkbox"/> Chicken	_____%	\$ _____/month	
<input type="checkbox"/> Turkey	_____%	\$ _____/month	
<input type="checkbox"/> Goat	_____%	\$ _____/month	
<input type="checkbox"/> Lamb	_____%	\$ _____/month	
<input type="checkbox"/> Venison	_____%	\$ _____/month	
<input type="checkbox"/> Other	_____%	\$ _____/month	please specify _____
<i>Total 100%</i>	<i>\$ _____ Total</i>		

6) Where does your household currently purchase meat (check all that apply)?

- Costco/Cash and Carry/Grocery Outlet or other club store
- Grocery Store (Safeway/Thriftway/Ray's)
- Specialty Grocery Store (Whole Foods/Trader Joes/Zupan's)
- Locally Owned Grocery Store
- Cooperative
- Farmers' Market
- Direct from Producer
- Direct from Butcher
- Local Buyers Club
- Other (Please specify) \_\_\_\_\_

## SECTION 2. PHILOSOPHY & MOTIVATIONS

How important is it to you that the following farm practices are followed in regards to **BEEF** products? Please rate the questions based on a scale of 1 – 5 (1 = Not important and 5 = Very important)

- |  |   |   |   |   |   |
|--|---|---|---|---|---|
| 7) No hormones   | 1 | 2 | 3 | 4 | 5 |
| 8) No antibiotics (except for illnesses)               | 1 | 2 | 3 | 4 | 5 |
| 9) No antibiotics (ever)                               | 1 | 2 | 3 | 4 | 5 |
| 10) No pesticides on weeds                             | 1 | 2 | 3 | 4 | 5 |
| 11) No commercial fertilizer on forage for animal feed | 1 | 2 | 3 | 4 | 5 |
| 12) Organic  | 1 | 2 | 3 | 4 | 5 |
| 13) Free range/roaming                                 | 1 | 2 | 3 | 4 | 5 |

6) How important is it that your household is able to visit and tour the farm where your beef is raised? Please rate this question on a scale of 1 – 5 (1 = Not important and 5 = Very important)

1    2    3    4    5

Would you pay more for beef if the product had one of the following labels?

- |                    |                              |                             |  |
|--------------------|------------------------------|-----------------------------|--|
| 7) Organic         | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> No Preference |
| 8) Local           | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> No Preference |
| 9) Natural         | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> No Preference |
| 10) Grass Finished | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> No Preference |
| 11) Sustainable    | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> No Preference |
| 12) Free Range     | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> No Preference |

13) Does it matter to you if the label “organic” is third party certified?     Yes     No



Have you heard of the following terms?

14) Grass Finished  Yes  No

15) Grain Fed  Yes  No

16) How would you prefer your beef be raised?

- Raised on grass but grain finished (finished on fattening grains for the last 3 months)  
 100% raised on grass (grass finished)  
 No preference

17) In reference to the above question (#16), why did you choose the answer you did (check any that apply)?

- Taste  Amount of fat in beef  Animal raising conditions  
 Sustainability  Health  No preference  Other

18) Where do you get your information about what is "good" meat (check all that apply)?

- Word of Mouth  Web  Scientific data or articles  
 Books  News  Personal knowledge or experience  
 Other (please specify) \_\_\_\_\_

## SECTION 3. PRICING AND PURCHASING

19) If you were to buy beef direct from a rancher, which of the following statement(s) would apply to you.

- I expect to pay less from a rancher than I would for the same quality beef at a specialty store  
 I expect to pay less from a rancher than I would at a farmers' market  
 I am willing to pay more than I would anywhere else to purchase from a local rancher  
 I don't care about the price  
 I want to "eat right" but my budget is pretty limited

20) If you were to participate in a beef CSA, what is your preference for frequency of meat orders?

- Weekly  Other (please specify) \_\_\_\_\_  
 2 times a month  
 Once a month  
 Once every 3 months  
 2 times a year  
 Once a year

21) Which of the following statement best describes how important choice of cuts is to you (choose one)?

- I want to be able to specify **exactly which cuts** I receive (T-bone, short ribs, brisket)
- I want to be able to specify **generally which cuts** I receive (steak, roasts, ground beef)
- I want to be able to specify which cuts I **don't want** to receive
- No preference
- Other (please specify) \_\_\_\_\_

22) What is your preference for fresh versus frozen meat in a CSA (choose one)?

- I will only purchase fresh meat
- I prefer fresh meat, but I want to purchase my meat from a CSA so I will accept frozen meat
- I prefer frozen meat
- No preference

23) Which meat purchasing model would you prefer (choose one)?

- Whole animal co-op: group buys a whole animal regularly and divides up the cuts
  - CSA: Subscribers pay up front for a certain period of months and get a monthly box of cuts
  - Bulk meat orders: you choose from a list of desired cuts
  - Other (please specify)
- 

24) What is your preference for cuts of beef (choose all that apply)? If you aren't familiar with specific cuts of beef, check the box next to the general type of cut (i.e. "Rib" or "Loin")

- |  |   |   |  |
|--|---|---|--|
| <b>Chuck</b> <input type="checkbox"/>    | <b>Rib</b> <input type="checkbox"/>                               | <b>Loin</b> <input type="checkbox"/>            | <b>Sirloin</b> <input type="checkbox"/>    |
| <input type="checkbox"/> Pot Roast       | <input type="checkbox"/> Roast                                    | <input type="checkbox"/> Porterhouse Steak      | <input type="checkbox"/> Tri-Tip Roast     |
| <input type="checkbox"/> Steak           | <input type="checkbox"/> Steak                                    | <input type="checkbox"/> T-bone Steak           | <input type="checkbox"/> Tri-Tip Steak     |
| <input type="checkbox"/> Shoulder        | <input type="checkbox"/> Rib Eye Roast                            | <input type="checkbox"/> Top Loin Steak         | <input type="checkbox"/> Top Sirloin Steak |
| <input type="checkbox"/> Short Ribs      | <input type="checkbox"/> Rib Eye Steak                            | <input type="checkbox"/> Tenderloin Roast       | <input type="checkbox"/> Back Ribs         |
|  | <input type="checkbox"/> Tenderloin Steak ( <i>filet mignon</i> ) |   | <b>Other</b> <input type="checkbox"/>      |
| <b>Round</b> <input type="checkbox"/>    |   |   | <input type="checkbox"/> Ground Beef       |
| <input type="checkbox"/> Top Round Steak | <b>Shank/Brisket</b> <input type="checkbox"/>                     | <b>Plate and Flank</b> <input type="checkbox"/> | <input type="checkbox"/> Cubed Steak       |
| <input type="checkbox"/> Bottom Steak    | <input type="checkbox"/> Shank Cross Cut                          | <input type="checkbox"/> Skirt Steak            | <input type="checkbox"/> Stew Beef         |
| <input type="checkbox"/> Round Tip Roast | <input type="checkbox"/> Brisket Flat Cut                         | <input type="checkbox"/> Flank Steak            | <input type="checkbox"/> Kabob             |
| <input type="checkbox"/> Sirloin Steak   |   |   | <input type="checkbox"/> Stir - Fry        |

25) How many pounds of beef could you commit to ordering per month?

Common weights per package: 1 steak=1-2lbs, hamburger=1-2lbs, chuck roast=1-3lbs, back ribs=1-3lbs

- Less than 5 lbs
- 6 – 10 lbs
- 11 – 15 lbs

- 16 – 20 lbs
- More than 20lbs
- Other (please specify \_\_\_\_\_ lbs)

26) What is your preference given the following pricing structure?

Pounds	Price/pound	\$/month
<input type="checkbox"/> up to 5 lbs	\$9.00	\$45
<input type="checkbox"/> up to 10 lbs	\$8.00 - \$8.25	\$80 - \$82.50
<input type="checkbox"/> up to 15 lbs	\$7.50 - \$8.00	\$112.50-\$120
<input type="checkbox"/> up to 20 lbs	\$7.25 - \$7.75	\$145-\$155
<input type="checkbox"/> 20+ lbs	\$7.00 - \$7.25	\$140-\$145

27) What type of payment plan would work best for you?

- Annually     Semi-annually     Quarterly     Monthly     No Preference

28) What type of payment works best for you?

- Cash     Check /Billpay     Online using credit card     PayPal  
 Any payment type     Other (please specify) \_\_\_\_\_

29) What is your preference for making an order?

- Phone     Email     Web     Mail Order Form  
 Other (please specify) \_\_\_\_\_

30) What is your preference for delivery?

- Pick-up at the farm (if it is near where I live)
- Pick-up at the farm (even if it is not near where I live)
- Pick-up at a central location in my town
- Delivery (extra shipping and handling costs)

31) Would you like the option to purchase any of the following with your CSA?

- Chicken     Turkey     Pork     Goat     Lamb     Buffalo     Eggs     All of it!

## SECTION 4: DEMOGRAPHICS

32) Female  Male

33) Age:  18 – 25  26 – 35  36 – 45  46 – 55  56 – 65  66 – 75  75+

34) What state do you currently live in? OR ID WA MT CA Other \_\_\_\_\_

35) City: \_\_\_\_\_

## PARTICIPATION

**Would you like us to contact you about participating in a meat CSA in Central Oregon?**

YES  NO

If you answered yes, please provide us with you contact information:

Name: \_\_\_\_\_ Email: \_\_\_\_\_

Phone: (    ) \_\_\_\_\_ Address: \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_