Conservation Beef: Options for Producers

Hill Grimmett
Be Local Northern Colorado
Northern Colorado Food Incubator





SUMMARY:

Conservation beef or "story beef" is increasingly available in the marketplace. Beef producers who are seeking additional income streams and ways to profit from good land management and animal husbandry practices may find such a niche strategy worth considering. And several small producers locally might band together in pursuing such a marketing plan.

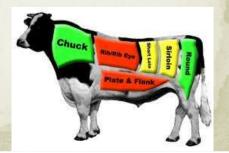
Background:

- Northern Colorado Food Incubator started 2004 emphasis on economic development
- Laramie Foothills Project, ongoing
- Managed Ecosystem grant proposal 2009, which included some attention to how livelihood for ranchers can be enhanced
- Some discussion of cooperative action toward sales / branded beef / "conservation beef"
- CCC Fellowship, March 2010: an opportunity to explore what a marketing plan might look like



Fellowship work is looking at 5 factors:

- Consumers and their values: Conscious
 Consumers ✓
- 2. Producers who may want to participate
- 3. <u>Conservation practices</u>: the claims to be made via marketing & branding ✓
- 4. <u>The market</u>: What people might pay; how to reach the market; estimate of market size
- 5. Infrastructure: what's here, what's needed



The larger context for ranchers:

- Beef has become a commodity
- Commodity means competing on price
- Ranchers with traditional cow-calf operations are increasingly under pressure to accept contracts from the big five operators
- The ultimate result of contracts is dramatic reduction in diversity, viability, etc. (See poultry, pork, etc.)

More context from Joel Salatin

- In 1960, his parents bought 550 acres in Virginia including house and some outbuildings for \$50,000
- Price for calves was \$0.30 per pound
- That farm is today valued at \$3 million
- Price for calves is about \$0.90 \$1.00/pound
- A three-fold increase in product prices a 6ofold increase in underlying land value



Consumers and their values:

- People do buy based on their values
- "Conscious consumers"
- Willing to pay a price premium for products that support their values
- How much premium?





What values?

- <u>Health</u>: omega fatty acids; no hormones, no antibiotics, no animals fed to animals, etc.
- <u>Environment</u>: Land use, watershed conservation, family farms, open space, predator-friendly, song-bird friendly, etc.
- <u>Animal welfare</u>: Free-range, cruelty-free, good husbandry, etc.
- <u>Carbon footprint</u>: Food miles, locally grown, carbon sequestration, life-cycle impacts, etc.



Once you choose the value...

- You need to decide what claim you want to make about your product
- Example: Choose health and environmental health
- Claim: Grass-fed; no hormones, no antibiotics
 - → Human health
- Claim: Rotational grazing, prevention of stream-bank erosion → Healthy land





Implications for producers:

- Pick which claims you want to make
- Tell a story about your product, your ranches, your family, your process, etc. that supports those claims
- Determine how to verify those claims: third party certification, open visitation policy, tours, education events, etc.





Other Beef Stories:

Lasater Grasslands Beef | Order 100... 💠

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"Nature Does All The Thinking ...And Most of The Work" - TOM LASATER

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Our Product Is More Than Beef

... it's the smell of sage after a summer thunderstorm,
the cool shade of a Ponderosa Pine forest.

It's 80 year old weathered hands saddling a horse in the Blue Mountains,
The future of a 6 year old in a one room school on the High Desert.

It's a trout in a beaver built pond, haystacks on an Aspen framed meadow.
It's the hardy quail running to join the cattle for a meal,
the welcome ring of a dinner bell at dusk.

Doc Hotfield & Becky Hotfield Hyde

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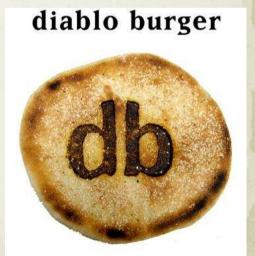


Other ways forward:

- Direct sale to customers on your own
- CSA involvement
- A retail outlet owned by one or more ranchers,
 e.g. Diablo Burger Flagstaff, AZ
- Direct sale to local establishments (let's put a grass-fed option on the menu at Big Al's)









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