



# JOURNAL OF THE NACAA

ISSN 2158-9429

VOLUME 17, ISSUE 1 – JUNE, 2024

Editor: Linda Chalker-Scott

*Bakker, C.<sup>1</sup>, Blair, A.<sup>2</sup>*

<sup>1</sup>Extension State Meat Specialist, South Dakota State University, Brookings, South Dakota, 57007

<sup>2</sup>Professor, South Dakota State University, Brookings, South Dakota, 57007

## **Combining Webinar and Case Study Program Delivery Formats Creates Effective Learning Opportunities for Livestock Producers Interested in Engaging in a Meat Processing Business**

### **Abstract**

A multi-faceted Extension program was developed for livestock producers interested in entering the meat processing industry. Participants took part in two informational webinars and a case study trip that included industry tours and a workshop. The delivery of program materials using multiple formats was an effective way to convey industry relevant information to the participants to aid them in making decisions about future business ventures. This program model has the potential to be utilized by other Extension experts interested in providing more niche type programming to their stakeholders.

**Keywords:** case study, Extension, programming, webinar.

### **Introduction**

The COVID-19 pandemic highlighted many challenges the agriculture industry routinely faces. One of the most prevalent issues that affected livestock producers, meat

processors, and consumers was the partial or complete shutdown of large meat processing facilities. As a result, small meat processing facilities were called to alleviate some of the pressures on both the producer and consumer sides of the industry. However, labor shortages and decreased production capacity have long plagued the meat industry. While small processors answered this challenge by putting forward all their available resources, their ability to meet the demands was limited. Anecdotally, many small meat processors indicated that they were booking custom harvest dates up to two years in advance. In this context, they were scheduling the harvest of animals that were not yet born.

At the consumer level, product shortages at the grocery store left consumers wary of traditional grocery shopping methods. In 2019, 55.2% of at home food expenditures occurred at grocery stores, while 7% was spent through mail order or home delivery services (USDA ERS, 2023). In 2022, those expenses shifted to 54.2% and 8.8%, respectively (USDA ERS, 2023). Interestingly, consumers are more open to changing their primary meat purchasing channel. In 2007, supermarkets held 71% of the market share for meat purchases. In 2023, their share decreased to 52% with super centers, club stores, and online channels all claiming increases (Roerink, 2023). This shift opened the door for even more purchasing options including a renewed interest in purchasing meat directly from local producers. According to the 2020 Local Food Marketing Practices Survey, direct farm sales of food totaled around \$9 billion, up from \$8.7 billion in 2015 (USDA NASS, 2020).

The combination of decreased processing availability and increased opportunities in the retail sector led many livestock producers to investigate the possibility of starting their own meat processing businesses to harvest their own animals and market directly to consumers. However, the process of financing, building, and furnishing a meat processing facility and obtaining the required licenses, permits, and trainings can be a confusing process. To meet this need, we developed an interactive program to provide livestock producers with education and resources to establish a meat processing business. The purpose of this article is to detail this model for effectively engaging livestock producers in educational programs.

## Methods

Recruitment for this program was conducted via a press release on the South Dakota State University (SDSU) Extension website. During program planning, the program coordinators determined that the program would consist of two webinars and a case study tour that included tours of two processors and an interactive workshop. Due to the size constraints of the case study locations, an application process was implemented to determine program participants (n = 5).

The first meeting of the participants was a webinar held in November 2021. The purpose of this meeting was to provide interested participants with information on the upcoming industry tours and to discuss the differences in meat processing inspection categories. A guest speaker representing the South Dakota Animal Industry Board, the organization that oversees the South Dakota Meat Inspection program, and a SDSU Extension Meat Science Specialist lead the discussion. The speakers explained the differences between custom exempt, retail exempt, state inspection, and federal inspection statuses and answered questions from the participants to help them determine the inspection status(es) that would best fit their business model.

The second meeting was a 3-day case study tour held in western South Dakota and northern Wyoming in January 2022. The case study tour included stops at two processors along with a one-day workshop. The case study locations were specifically selected for their differences in inspection status, business model, business age, and processing methods. They were also selected based on their willingness to be open with participants about their business plans, financial structures, successes, and challenges. On the first day of the tour participants visited a long-established state inspected meat processing facility in South Dakota that had recently undergone renovations. This business model included several business ventures including a Beef to School program, a restaurant, and a second retail store/processing facility located in another town. The participants toured both facilities and had engaging conversations with the business owner and employees about inspection, processing logistics, business planning, facility design, and employee training and retention.

The second day of the case study tour was classroom based and held at the SDSU West River Extension Center in Rapid City, SD. This day-long workshop was intended to help the participants expand their understanding of meat processing operations and opportunities. Topics of discussion included building modular meat processing facilities, mobile processing units, building the right team for your business, multi-state processing and distribution business models, identifying and applying for grants, processing equipment needs and costs, and labor resources available through the South Dakota and Federal Departments of Labor.

On the final day participants toured a newly established USDA inspected meat processor in southern Wyoming. In addition to an in-depth tour of the facility, the owner of the company explained their business model and held a question-and-answer session regarding his experiences building a new facility.

A post case study survey was conducted to gather participants satisfaction with the case study tour and to gauge their perceived value of the experience. The survey also served to formatively evaluate the program progress and identify additional topics to incorporate into the final webinar. All five participants provided survey responses.

Based on the survey responses, the final event was a webinar with a meat processor that operates a mobile harvest unit alongside a brick-and-mortar processing facility in the Pacific Northwest. He discussed the advantages and challenges of the mobile unit business model as well as his model for logistics, how to meet regulatory requirements, and his experience with expanding his business.

## **Results**

All participants agreed or strongly agreed that the individual portions of the case study tour were informative and helpful. Additionally, all participants indicated that they strongly agreed that the tour was worth their time to attend. An open response question allowed the participants to provide additional comments about their experience.

Responses included:

- *“I gain[ed] a lot of knowledge throughout the whole trip. I learned a lot more than expected and was great to see how different Processors operate and how they plan on growing.”*
- *“The selection of topics covered, and tours of the plants were spot on for understanding the processes of entering the custom meat industry.... The program you offered was tremendous and one-of-a-kind. Keep it going and growing. There is a lot of need to upgrade the custom meat business in SD.”*
- *“This experience has helped us to make better informed decisions to determine if we want to start a processing plant. This trip was worth the time.”*
- *“As a small scale livestock producer who sells direct to customer it was extremely helpful to see the facility setups and learn about each facility's capabilities and limitations.”*

Upon completion of this program, two of the five participants continued to pursue their plans to enter the meat processing sector. One participant purchased an existing custom exempt meat processing facility in southern Minnesota and has continued to offer services to the surrounding area. If this participant had not purchased the facility, it is very possible that the previous owners would have shut down the business and the small rural community would have lost their source of locally processed meat. The other partner has moved forward with plans to build a USDA inspected meat processing facility in north central South Dakota. The plant will offer both custom and retail services and aims to process approximately 100 animals per week. This partner has secured a federal grant to help advance and partially finance their facility. Additionally, one participant recognized the value of investing in existing meat processing facilities as opposed to starting a new business and planned to pursue an investment venture. To expand accessibility of the information gathered throughout this program an online decision tool was developed and made available to the public on the SDSU Extension website (Bakker and Blair, 2023). This decision tool outlines the key considerations for building a small meat processing facility and provides resources for anyone considering this type of business venture.

## **Limitations**

The facilitation of this program was not without its own set of obstacles to overcome. Many individuals in South Dakota and the surrounding states are without reliable internet access in their homes. This may have impacted the reach of our recruitment efforts as they were primarily web based. Additionally, the webinars required a strong internet connection for participation, which could have also been a barrier to participation. The current program was limited to 5 participants due to the case study locations. If the number of participants were expanded, we would consider conducting multiple case studies at each location or adjust the logistics of the case study tours. Because this program involved livestock producers, we were mindful of common “busy” times of the year for producers (i.e. calving, branding, etc.) and we designed the program schedule to accommodate our participants as much as possible.

## **Conclusions**

This program provided an in-depth view of the major aspects involved in operating a meat processing facility and introduced a variety of business models for participants to consider. The participants of this program indicated that they enjoyed the multiple opportunities for small group discussions with our presenters and each other. This program model utilizing multiple educational formats has the potential to be utilized by other Extension experts interested in providing more niche type programming to their stakeholders. The survey results from this program indicated that intensive case study experiences coupled with webinar sessions aided the participants in their decisions about how to move forward with potential business opportunities.

## Acknowledgements

This project was made possible by a grant from North Central Sustainable Agriculture Research & Education (Project # ONC21-084) and supported by South Dakota State University Extension.

## Literature Cited

Bakker, C. and A. Blair. 2023. Building a meat processing facility: considerations to help you get started. *South Dakota State University Extension*.

<https://extension.sdstate.edu/building-meat-processing-facility>

Roerink, A. 2023. Power of meat. *Annual Meat Conference*. Published by FMI and Foundation for Meat and Poultry Research and Education.

USDA ERS. 2023. *Food Expenditure Series*. Accessed on February 27, 2024.

<https://www.ers.usda.gov/data-products/food-expenditure-series/>

USDA NASS. 2020. *Local Food Marketing Practices Survey*.

[https://www.nass.usda.gov/Publications/AgCensus/2017/Online\\_Resources/Local\\_Food/index.php](https://www.nass.usda.gov/Publications/AgCensus/2017/Online_Resources/Local_Food/index.php)