



Vermont Beef Producers Association  
2083 East Main Street  
Richmond, VT 05477

# OPPORTUNITIES FOR A SUSTAINABLE MEAT INDUSTRY IN VERMONT

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Vermont Beef Producers' Association appreciates the opportunity to present this information. Our organization represents over 200 families farming nearly 40,000 acres that produce food for human consumption. It is estimated that there are a total of nearly 1,000 non-dairy beef producers in Vermont, with farms ranging in size from 2 to 2,000 head of cattle.

While Vermont dairy farms are declining in numbers, Vermont beef farms are growing in numbers. The demand for local, natural and organic beef is increasing over 40% per year, and consumers are willing to pay a premium for it. This potential attracts new farmers as well as former dairy producers.

It is now appropriate to recognize this trend.

Beef operations tend to preserve the old barns and pasture land, helping to maintain the historic beauty and legacy of Vermont. The alternatives for use of fallow farm land are not attractive to most Vermonters.

Beef is the primary product of beef farms, and it is the secondary product of dairy farms. According to the USDA Economic Research Service, the value of farm receipts in Vermont for beef is second only to dairy. Beef producers support the same agricultural infrastructure as their milk producing counterparts. Beef producers raise heifers and cows that give birth to calves, just as milk producers do, but they don't sell the milk from the cows. Beef producers buy most of the same kinds of equipment and services. Their operations are affected the same way dairy farms are when the weather is bad, when the price of energy, feed or fuel goes up, or when disaster strikes.

## A MEAT PROCESSING CRISIS

The end product of beef cattle farmers is meat, and a sustainable beef market requires access to high quality, affordable processing year-round. Slaughter facility fires last year at Fresh Farms Beef in Rutland, VT and a processing plant in Athol, MA have caused a meat processing crisis that threatens the growth of the entire livestock segment of Vermont agriculture.

According to operators of the remaining Vermont facilities, the short term solution to this crisis is increased access to trained personnel, expansion of cutting capacity and additional refrigerated storage space. It is anticipated that immediate relief can be achieved with state-sponsored access to capital and funding for in-house or vocational training. Action of this nature will bring immediate stability to the industry, while longer term fine tuning can be investigated and implemented.

Vermont beef producers need slaughter facilities to be economically viable so that the organic and natural market, now at about 2% of US food dollars, can grow to the projected plateau of 33%...and so that Vermont-based beef operations can compete against the massive feedlots and slaughterhouses in the corn belt which are the focus of books such as “Fast Food Nation” and “Omnivore’s Dilemma.”

The beef industry in Vermont is small, local, and committed to producing a quality product that Vermonters can be proud of. The beef farmers and marketers in Vermont need help to remove the immediate and longer term barriers to the successful growth of the local beef industry.

- **VBPA supports State provided short term financial support in the form of low or no interest rate loans or grants for the sustainable development of farm production, processing operations, and activities in distribution, marketing, wholesale and retail sales of VT farm products.**
- **VBPA supports state funded training programs to enhance the skill and volume of the labor pool, either in-house or through vocational or other educational institutions.**
- **VBPA supports legislative consideration of non-dairy livestock producers, processors and marketers with a gross agricultural income of at least \$50,000 per year to be in the business of food production and to include them in state sponsored agricultural programs.**
- **VBPA supports a tax-based incentive in the form of exemptions to farm employers based upon Vermont citizen employment creation or retention.**
- **VBPA supports an enforcement component in Workers Compensation that controls abuse of the system.**
- **VBPA supports inclusion of ALL Vermont farmers in state and federal aid when disaster strikes, whether they grow vegetables or animals.**

## HELP THE VERMONT BEEF INDUSTRY GROW

The beef industry in Vermont has been expanding rapidly in the last five years, and ongoing legislative support is needed to continue that trend. Support of the beef industry will bring more jobs to the state, keep more acreage in pastureland, continue to improve the image of Vermont as a state that grows wholesome food, and support the dairy industry by improving the market potential for all cattle grown in Vermont.

- **VBPA supports exempting active agricultural land from educational property tax.**
- **VBPA supports a partial exemption from state and local taxes for up to 15 years to expanding or new agricultural businesses.**
- **VBPA supports government's ability to influence and take appropriate action to offset the cost of employee benefits.**
- **VBPA supports the Buy Local campaign, the concept of the Vermont Seal of Quality, and State institutional use of Vermont-grown products.**
- **VBPA supports government's role in the regulation of public utilities, to take appropriate action to insure that small businesses have access to a full range of services at equitable prices.**
- **VBPA supports incentives for the use of alternative energy by agricultural enterprises.**

Livestock production is a high volume, low margin business. Business success requires cost control and a consistent supply of safe, quality products. Livestock producers need access to slaughter and processing services to sustain current levels of production and to provide some measure of assurance as they consider increasing production. Product marketers must have access to these services every week of the year for business continuity and to maintain a presence in the expanding markets. VBPA believes the ideas presented here will make sense for the future of Vermont agriculture. We appreciate your consideration.

**The Board of Directors of the Vermont Beef Producers' Association**

*For more information about the Vermont Beef Producers' Association, please visit the web site at [www.VermontBeefProducers.org](http://www.VermontBeefProducers.org). VBPA is a non-profit association of beef farmers dedicated to sustainable agriculture in Vermont.*