MAINSTREAM LAMB MARKETING
IN SOUTHWEST VIRGINIA

Clinton Bell

Sheep producers basically have two options in which to market lambs – Eastern Lamb Producers Cooperative or weekly livestock auction markets.

Eastern Lamb Producers Cooperative

➤ Managed by Joe Meek, Pulaski Livestock Auction Market
➤ Producer consigns lambs through local Cooperative Extension Office
➤ Lambs are sold on farm and taken up later
➤ Can market slaughter lambs, feeder lambs, and butcher ewes
➤ Allows small producers more marketing power by comingling lambs to make load lots and more buyer exposure
➤ Lambs are state graded

Weekly Livestock Auction Markets

➤ Producer brings lambs to the market on sale day
➤ The market will sell all classes of sheep
➤ Some markets come mingle, some sell ownership lots
➤ In Southwest Virginia, lambs are sorted by weight – are not graded in the Valley of Virginia
➤ Some markets grade
➤ Most lambs are purchased by livestock dealers and go through Pennsylvania markets
CENTRAL VIRGINIA SHEEP AND WOOL PRODUCERS ASSOCIATION STATE GRADED LAMB AND SHEEP SALES

James E. Riddell
Extension Agent, Louisa County

The Central Virginia Sheep and Wool Producers Association, formerly known as the Orange Area Wool Pool, has a long history of providing cooperative marketing opportunities for sheep producers. Organized in the 1950’s by sheep producers such as Jack Graves of Madison and Bill Hess of Orange, the multi-county Wool Pool served as the primary marketing system for wool in much of central and northern Virginia.

In 1980 at the urging of area producers and Virginia Tech’s Extension Sheep Specialist, George Allen--Extension Agents, sheep producers, and Virginia Department of Agriculture and Consumer Services Marketing Specialists organized and conducted the first state-graded market lamb sale in the area.

In the early years—seven sales were held a year from May-August at the Madison Livestock Market. Only slaughter lambs weighing 85-125 pounds were sold and to one buyer, Fred Stapf. All of the lambs were graded and weighed and comingled and sold by grade lots. The price paid to the producers was a 3-sale average price using the most current Harrisonburg, Staunton, and Winchester market prices as a base.

In the mid-to late 80’s, working with the Eastern Lamb Producers Co-Op, the electronic auction (via computer) was used to sell the market lambs. Lambs were sold by computer on Wednesdays and taken up (state-graded, weighed, and sorted) on the following Mondays at the market. The sale also began to sell feeder lambs and sheep at certain sales.

In 1990 the sheep producers decided to sponsor a new once-a-month state-graded lamb and sheep sale at the Madison Livestock Market. This sale today accepts and offers healthy market lambs, feeder lambs, yearlings, cull rams and ewes, and other sheep suitable for feeder or slaughter purposes. Lambs and sheep are taken in from 7:00-9:00 A.M. on sale days and sold to the highest bidder at 11:30 A.M.--using the telo-auction and also live bidding at the market. The marketing fee is $1.75 per head plus check-off fees.

The sale attracts a variety of buyers—those looking for traditional slaughter lambs, buyers desiring lighter lambs for the ethnic trade, individuals who buy slaughter ewes and rams, and others. 4-5 buyers typically are present on the telephone or in person for each sale.

2001 marks the 22nd year of cooperative lamb and sheep marketing programs for the Central Virginia Sheep and Wool Producers Association. Sales are sponsored monthly and are strategically scheduled prior to ethnic holidays when the demand for lamb is increased. Sales in 2001 are as follows:
January 17   June 20   October 17
February 28  July 18  November 14
April 4      August 15 December 12
May 16       September 19

In 2000 the association sold 2158 lambs and sheep totalling $150,462.32

The association also sponsors workshops and educational programs with Virginia Cooperative Extension for area sheep producers each year. The state-graded sale itself is a very effective educational program, especially for new producers. Producers learn quickly which grades and weights of lamb are in demand and management and breeding information is shared regularly by producers at the market.

The success of this marketing program has been due to the consistent quality lambs and sheep consigned by the producers, the support of the Madison Livestock Exchange, the producer association, the buyers, and the cooperative efforts of the Virginia Department of Agriculture and Consumer Services and Virginia Cooperative Extension.
SELLING LAMB SAUSAGE IN LOUDOUN

Martha Polkey
President, Loudoun Valley Sheep Producers Association

The Loudoun Valley Sheep Producers Association sausage-making project began and has continued as a way to help its members get top prices for their lambs, by selling cooked as well as frozen product at local fairs and through local markets. During the past three years LVSPA has purchased more than 50 lambs from its members and paid them an average of $2 a pound (hanging weight). Sales of sausage at our main fundraising event have increased 40% each succeeding year.

The organization has met various challenges as the marketing effort has grown and expanded. These include:
• maintaining a good volunteer base;
• meeting processing, labeling, and food-handling regulations;
• improving quality and yield of lambs purchased;
• meeting liability concerns;
• dealing with increasing processing costs; and
• making adequate preparation for an expanding market.

Opportunities for increasing sales exist. The sausage has sold well and has built a following. We are now negotiating with other small local markets to offer it more widely. Our members are producing better-finished animals, with higher yields that keep processing costs per pound of sausage lower. LVSPA’s presence at local fairs and events has improved the visibility of the organization, and has helped some members market their other farm products, such as freezer lamb, goats, and wool products.

About the organization

The Loudoun Valley Sheep Producers Association is an 8-year-old nonprofit volunteer group operating in one of the fastest-growing counties in the United States. Here in northern Virginia we are striving to make small-scale agriculture a workable proposition, in a county where farmland is disappearing faster than you can say “3-acre executive estates.”

Our members are mostly small flock owners, with flock size ranging from a couple to a hundred sheep. We have been working together at our monthly meetings to help each other in the shepherding business. We keep a reference library with videos, information sheets, books, and periodicals, and sponsor speakers. We publish a monthly newsletter and annual directories—one aimed at the freezer lamb consumer, and one listing all the products our members offer. We also support our county 4-H sheep clubs.
Making sausage

One of our founding members was very active in a Scottish heritage group, and the first product we cooked and served, for several years at Celtic festivals, was lambburger made from donated lambs. Our first sausage was made from mutton. When we decided to focus on sausage, and especially frozen product, we began using only lambs (“lamb sausage” sounds so much better than “cull ewe sausage”).

We had two ways to market this whole-lamb sausage: sales of cooked product and retail sales. Both avenues were immediately open to us, because another of our members owns a small country store in Waterford, Virginia. Preserved and picturesque Waterford (founded in 1733) is the site of the annual Waterford Fair in October. About 35,000 visitors and participants attend this top-of-the-line historic craft fair. We set up our first food booth at the fair in 1998. At that event we sell the sausage on a bun, sausage pieces on a stick, and frozen sausage. (The latter is available at the store year-round.) At the 2000 fair, we sold almost 400 pounds of cooked and 200 pounds of frozen sausage.

We have set up booths at several smaller local events, including the Loudoun County Spring Farm Tour, fall festivals, and a country fair and dance at a county farm museum. Sales of sausage at these small events have been minor, but at each we made contact with more customers, distributed our brochures, and spread our name about.

The challenges

All volunteer, all the time. The greatest strength of the Loudoun Valley Sheep Producers Association is its members. It is an all-volunteer organization, and all we do is done with donated time and expertise. The fact that so many of our members are part-time farmers has added to the strength of the group, because their other occupations—as printers, graphic and fine artists, lawyers, store owners, engineers, community leaders, computer specialists—have all brought invaluable resources to LVSPA.

Still, one must gear the activities of the group to the time that members can give. Some goals take longer to reach because of limited volunteer time, and the organization’s officers know they must take care not to burn out the most active members. We have learned to choose wisely where to focus our volunteer resources, and to try to encourage “dormant” members to come alive.

The rules and regs. Another challenge is mastering regulations that have to do with selling a retail product. A USDA-certified processor produces our sausage, and we first picked up our meat in boxes properly stamped. This was legal procedure for sausage we planned to sell as cooked product. But it was insufficient for selling sausage retail. At this point a proper label (every minute detail of which is dictated by regulations) had to be obtained by the processor and approved by the federal meat inspector. A safe handling label also was required. We have a legal label, although not yet the perfect one.
Food booths require permits from the county health department, and are inspected daily by county officers. We have learned that our quick attention to any infraction, no matter how slight, has given inspectors confidence in our operation—as has the fact that three of our members have attended a county-run food preparation course.

**Improving yield and producer knowledge.** Our members raise many breeds of sheep—among them Icelandic, Lincoln, Merino, Dorset, Karakul, Barbados, Cheviot, and commercial crosses. Most of them were not 4-H club members as children, and thus did not grow up feeling for length of loin and thickness of leg.

We have sought to increase their knowledge. At one on-farm membership meeting, members brought lambs from their farms for state grader Mike Carpenter to evaluate and teach us what to look for in a finished lamb.

In addition, payment for lambs we buy from members is pegged to the yield of the animal. Low-yielding lambs mean the same amount of processor labor for less meat, and we may pay only $1.60 a pound for such animals. Some of our members consistently produce lambs that yield higher than 60%; those animals bring them $2.25 a pound, hanging weight.

We also inform members how vital it is to keep good records of antibiotic and anthelmintic use: Our slaughter dates are published well in advance, and members are asked to sign a form certifying that their lambs are free of such residues, on the day the lambs are taken to the processor.

**Liability questions.** LVSPA is presently applying for nonprofit corporation status from the state of Virginia, to give legal protection to the organization’s officers. With that and with federal nonprofit status, we may be able to take advantage of other USDA resources to help with our cooperative sales efforts.

**Costs.** The greatest challenge for this project is the potential for increased processing costs. Our locker plant has been strapped for employees like many other businesses in these flush times, and in the last 12 months has raised our per-pound processing rate almost 50%. Finding another processor who charges less is a difficult proposition, for quality of the product also may change, and establishing a good and dependable working relationship with a new processor is also uncertain.

**Expanding the market.** We are encouraged by the reception our sausage has gotten, but we know that before we consider expanding the market, we must ensure that we are prepared to meet the increased demand. We must gauge volunteer time needs, determine any additional regulatory requirements (e.g., if we decide to respond to customer requests to mail frozen product out of state), and ensure that our members will have an adequate supply of quality lambs at the time of year we need them.
The opportunities

A growing market for value-added products exists, and although our location at the western edge of Washington, D.C., is the cause of rapidly dwindling farmland in Loudoun County, it also is the source of our increasing sales. Lamb is eaten by more kinds of people in large urban areas, and specialty foods sell well in these comparatively upscale markets. Loudoun’s countryside is still beautiful, and we believe that one selling point for our products is that they are one way new, more urban residents help keep the rural economy viable, and vital.

We have a hard-working and innovative department of economic development in Loudoun, which tries out many ways to create interfaces between buyers and sellers of agricultural products in the county. This is another bright spot that gives us confidence that our cooperative efforts will yield further success.