“Successful Marketing - What You Need to Know”

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Direct Marketing Opportunities

• freezer lambs
• feeder or club lambs
• breeding stock (rams/ewes, purebred/commercial)
• research animals
• wool
• pelts/skins
• manure
• specialty products (sausage, “rent a sheep”, grazing, rodeo, exhibitions)

How much time, effort, and money can you afford to devote to direct marketing for an increased return?
Basic direct marketing concerns:

- Time
- Targeting your market
- Facilities and equipment
- Taxes and sales fees
- Product knowledge
- Promotion or advertising
- Regulations

Time

- Extensive personal contact
  - answer questions
  - show products
  - facilities preparation
  - travel to shows
  - letters
  - business cards
  - web site and email

Targeting A Market

- Freezer lamb market
- Ethnic/Religious market
- Retail food store market
- Restaurants
- Club lambs
- Breeding stock
- Specialty products
Facilities & Equipment

- Self assessment of operation -
  - slaughter facilities
  - disposal of offal
  - sorting and holding pens
  - loading facilities
  - SCALES!
  - storage areas

- truck and/or trailer
- display area (farm or shows)
- computer
- fax machine
- iPhone

Collection of Taxes and Fees

Virginia Sheep Industry Board Act - Code of Virginia - Chap. 43, Sec 3.1
Lamb check off fee
$0.50 / head
Paid to Tax Commissioner each quarter
Maintain records for 3 years
• Virginia Retail Sales Tax Collection
  – Code of Virginia Section 58.1 - 630
  – A farmer regularly engaged in selling tangible personal property at retail must register as a dealer and collect and pay the tax due on retail sales. The tax applies to regular or recurring sales of farm products by farmers or peddlers or at a public market, roadside stand, farm or any other place.

Product Knowledge
• Do you know your true cost of production?
• Do you know your price?
• Do you know the grades or standards of your product?
• Do you have standard charges? Do they change?
• How do you handle money collections?
• Do you have guarantees or a satisfaction policy?
• Do you know what processing is available and what it cost?

Promotion
• farm signage
• mailings
• field days
• exhibitions or festivals
• web site
• associations and cooperatives
• Do not expect other people to sell your products for you!
Promotion Assistance

• Virginia Cooperative Extension
• VA Dept. of Agr. & Consumer Services
• American Sheep Industry Association
• Local Government
• Breed or Product Association
• Organization or Business Publications
• *Word of Mouth !!!*

Regulations

• Specific Products
• Slaughter inspections under the *Wholesome Meat Act (Pub.L. No 90-201, 81 Stat. 585 (1967))*
  – federally inspected
  – state inspected
  – custom processing
    • products must be marked “Not for Sale”
  – home slaughter and usage

Words of Advise:

Sell animals by the head or products by the piece.

Get paid up front.

Do not assist with slaughtering, handling, or transporting meat.

Have a plan for marketing and disposal.

Try new ways of education, promotion, and communications
Direct marketing is a challenging on-going process that isn’t for everyone. If it were easy everybody would be doing it. Sometimes what might sound like a tremendous price or opportunity really isn’t !!!