

An Analysis of Central Texas Producers' Willingness to Adopt Red Meat Mobile Slaughter Units Luke Fox, Randy Harp, and Jose Lopez



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Introduction

According to the Food Safety and Inspection Service (FSIS), MSUs may be a promising niche market for red meat producers in Texas as the market for humanely harvested and organic red meats grows. Current literature finds Texas to be deficient in local slaughter capacity. As MSUs eliminate the need for animal transportation, small producers may be able to capitalize upon the increasing demand for humanely harvested red meats. As such, research is needed to better understand the producer need and willingness to adopt red meat MSUs in central Texas.

Data

Data is to be collected through a producer survey. The producer survey will contain both open and closed ended questions to evaluate the producer need and willingness to adopt MSUs in central Texas. Projected start-up, production, and operations costs will be utilized from the eXtension Foundation to conduct a feasibility analysis. The eXtension Foundation is a member-based nonprofit organization established by Extension Directors and Administrators nationwide.

MSU Cost Calculator

Summary of Potential Returns from a Mobile Slaughter Unit (\$/yr)

Instructions: Fill in orange cells for number of kill days per week that you plan to use the mobile slaughter unit. Then fill in the number of animals per week by species. If orange cell says "too many animals," reduce your animal numbers until it says "within allowable limits." Please see Value-Added tab for determining margins by animal species. These values are transferred to this sheet.

Please see Enterprise Budget tab for information on costs of realizing this value-added revenue.

Number of kill days per week:

The maximum number of kill days per week would be 4 or 5 to allow for transport, off-loading, cleaning, and maintenance.

			Number of	Hours	Total	Total	Total	Total
	Max	Max	animals per	per week	revenue	revenue	revenue	revenue
	no. per	no. per	week by	by	by animal	by kill day	per week	per year
Species:	<u>hour</u>	<u>week</u>	<u>species</u>	<u>species</u>	<u>(\$/head)</u>	<u>(\$/day)</u>	<u>(\$/week)</u>	<u>(\$/year)</u>
Cattle	2	14	6.00	3.00	\$2,700	\$16,200	\$16,200	\$810,000
Pigs	4	28	10.00	2.50	\$598	\$5,980	\$5,980	\$299,000
Sheep	6	42	9.00	1.50	\$336	\$3,024	\$3,024	\$151,200
			Total:	7.00				
			within allowable limits					
		Total:	25	7				
Total Value Added					\$3,634	\$25,204	\$25,204	\$1,260,200
Total Costs per year								\$979,429
Net Revenue per year								\$280,771

Assumptions:

Mobile Slaughter Unit (MSU) operates for 7 hours per day in order to allow for set-up and paperwork. Mobile Slaughter Unit (MSU) operates 50 weeks of the year. Costs and returns are as outlined in the following tabs.

Research Objectives

- Identify producer need for MSUs in central Texas;
- Identify producer commitment to MSUs in central Texas; and
- Explore the economic feasibility of MSUs in central Texas.

Sample Survey Questions

- Please describe your operation.
- How many animals do you produce annually?
- What processing facility do you currently use to harvest your animals?
- How far away is this processing facility?
- Are a member of a cooperative? If so, does this cooperative possess a Mobile Slaughter Unit and do you use it?



Source: Mobile Slaughter Unit (2019).

References

Source: Painter (2009).

Food Safety and Inspection Service. (2010).

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