

Marketing Opportunities For Ohio Goat Production

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Opportunities Already Exist to Access Ethnic-Religious Markets in Ohio

- Public Livestock Auction
- Direct on-farm
- Brokers/Middlemen
- Meat Processors
- Cooperatives/Alliances/Associations

Pooled Markets

To date there have been 6 sales
since November 2004

No load has been larger than 135
head and they can handle 200
on one load

Pooled Sales

- Quality is a must and is an ISSUE!
- Weights of 45 to 80 pounds
- Average price of \$130 on all pooled sales
- Larger loads will provide for more bids and higher prices.
- Quality, health, right size

Other Opportunities

- Kentucky has several things going on and they lend themselves to opportunities for Ohio producers.
- There may be joint efforts on these opportunities between Ohio and Kentucky in the near future.
- Kentucky has had some of the same issues Ohio has in infrastructure issues.

Marketing Meat Goats in Kentucky

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Kentucky's Early Market Channels

- Traditional cattle auctions
 - sell goats by the head
- Direct sales to ethnic consumers
- Seed and Show Stock
- Some pooling for the Northeast markets
- Pilot sales of goat carcasses to Columbus, OH
- Buying stations



Crunch Time!

- Millions of dollars pumped into building Kentucky's goat herds
- No reliable market infrastructure to efficiently move numbers of slaughter goats



Needed Market Infrastructure

ASAP

- Goat Marketing Task Force
 - Producers
 - Buyers
 - Livestock market personnel
- Initial meeting identified
 - Tel-O-Auction
 - Graded Sales



Tel-O-Auction

- KY had a decades old sheep tel-o-auction system
 - One major sale per year (May)
 - Run by United Producers/KDA/KY Sheep and Wool Producers/UK
- Met with existing tel-o-auction players
 - Discussed adding goats to system
 - Wide range of support for the idea
 - Decided to try a pilot sale



Kentucky Goat and Sheep Tel-O-Auction

- Pilot sale September 5, 2002
 - Months of promotion and producer education
 - Locating and recruiting buyers
- Deemed a success
 - Few bumps at first delivery
 - Planned second sale
 - Expanded from there



Tel-O-Auction Today

- 10 sales planned for 2006
- 3 delivery locations around the state
 - Potential to add more
- Typically have 3 to 7 buyers participating
- Biggest challenge is getting enough kids and lambs



Kentucky's Graded Sales

- 7 regional graded sales
 - Spread evenly across Kentucky
 - Monthly sales
 - Average between 200 and 1200 head per month



Tel-O-Auctions vs. Graded Sales

- Tel-O-Auctions
 - More efficient/less risk
 - Can pull in more buyers
 - More work involved from seller
- Graded Sales
 - Easier for the seller
 - Can sell breeding stock
 - Less efficient/more risk



The Graded Advantage

- Kentucky's graded goat sales and tel-o-auctions average \$10.00 to \$20.00 per head more than Kentucky's regular goat auctions.
- Competitive with national goat markets
- At times, Kentucky sales have topped the nation



Needed Items for Graded Marketing

- Licensed/bonded entity to handle sale/funds
- Facility with pens that will hold goats (20-30)
- Certified scale
- Sale ring*
- Receiving/sorting area
- Grader
- Sellers
- Personnel for
 - Receiving
 - Sorting
 - Weighing
 - Penning
 - Clerking*
 - Selling*
 - Loading
- Buyers



Pooling and Grading Adds Value

- The goal of pooling and grading is to put together numbers of uniform kids to increase competition and thus price
- Kentucky's graded sales and tel-o-auctions returned close to \$500,000 in added value to Kentucky's goat producers in 2005.



Summary

- Kentucky's meat goat industry has experienced rapid growth
- Market infrastructure has kept pace with the growth
- Kentucky has one of the most successful meat goat industries in the country



Questions

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