

# Module 8 - Marketing

## *What to do?*

The key elements of marketing that will have a significant impact on your business are:

- Market specifications. You must have a clear description of the quality and quantity of product that your customers are seeking, and direct your management toward achieving these specifications.
- Marketing strategy.
  - Knowledge of markets.
    - o Know where the product is going and who is buying.
    - o Know what type of product is required.
    - o Evaluate market trends and forecasts.
  - Selling options.
    - o Decide how you want to sell your product.
    - o Decide when is the most opportune time to sell.
  - Product promotion.
    - o Understand and promote the benefits of your product to prospective buyers.
- Opportunities for value adding:
  - o Niche markets.
  - o Differentiation of products.

Understanding the value of your product and doing your homework with respect to the issues listed above, will give you greater control of the income that is generated by your business.

## *How to do it?*

The starting point for all decisions relating to marketing is to ensure that you know the following:

- What do you produce?
- Who is the intended customer?
- What product characteristics does the customer want?

### **Market specifications**

The Australian goatmeat industry services two main markets: domestic and export.

Domestically the main customers are the retail sector and restaurant trade. The end users are typically ethnic groups, whose food traditions include the use of goatmeat. For example, people of Italian, Greek, Middle Eastern, Pakistani and South East Asian origin; health-conscious consumers looking for low-fat, low-cholesterol sources of meat; 'foodies' interested in experiencing foods from different cultures. Typically the types of products sought by the domestic market are capretto, chevon and smallgoods made from goatmeat.

Our export markets vary in their requirements. There are Western countries whose populations are becoming increasingly culturally diverse. In these countries, there is high demand for goatmeat from ethnic groups, similar to the Australian experience. The United States of America is a prime example of this trend, where there is high demand for goatmeat from the Hispanic and Asian communities. This includes the growth of ethnic restaurants, which will introduce goatmeat to Western consumers.

There are also countries that traditionally consume goatmeat, but produce only small amounts, for example Taiwan and the Caribbean.

The export trade is typically seeking commodity goatmeat and chevon, with the carcass size and goat age requirements varying between countries. The majority of the export market is carcass trade, but there is also significant demand for live goats.

Table 1 provides a guide to the specifications for a range of market segments. However, producers need to be aware that market requirements can vary with seasons and between years. Therefore, it is important that producers develop a good rapport with their agent, processor or buyer, and keep in regular contact to ensure that they understand the current market requirements. It is equally important to seek feedback from these sources about the product supplied, in terms of its suitability for the market and to find out how the product can be improved in order to achieve better prices.

Product consistency is a big issue. Producers must supply processors with consistent lines of goats. Wide variations in size and condition make the task of processing and marketing the product more difficult.

One way to develop a better understanding of your product is to seek to visit the abattoir, when some of your animals are being processed, to inspect their carcasses. Sometimes this can be difficult to organise, but it is a very worthwhile learning experience.

Any decision about which market segment a producer should target, needs to be made with a clear appreciation of how the required production system will fit in with the capacity of the property. Two of the most important considerations are feed supply and animal-demand patterns, and the cost of production.

It is also critical that you thoroughly investigate access to the market that you propose to target. In some cases, the markets available to you may be restricted by the geographic location of your property.



*A consistent line of goats compared to an inconsistent line of goats. There are significant efficiencies in processing consistent lines.*

**Table 1. Market specifications**

Market	Key customers	Size of goat	Age of goat	Breed of goat	Sex of goat	Other requirements
Live trade	Malaysia	40kg + liveweight	–	All	All	Prefer heavier goats
	Middle East	25kg + liveweight	Prefer young goats, but will take all	All	All	–
	Saudi Arabia	25kg + liveweight	No more than 2-tooth	All, with preference for Boer goat bloodlines	Male	Must be domesticated
Commodity goatmeat	Taiwan, USA, Canada, Caribbean. Smallgoods manufacture – domestic.	Range of sizes	Range of ages	Range of breeds	–	In the past, USA has paid a premium for ‘skin-on’ product. Range of cuts provided depending on market requirements. Refer to <i>Module 8 - Marketing Toolkit 8 page 7</i> for an explanation of the ‘skin-on’ product.
Capretto	Food services sector – domestic.	To be classed as capretto a carcass must meet the following AUS-MEAT requirements: Be less than 12kg HSCW. Have pale pink meat colour of the internal flank muscle.		Specialty meat or dairy breeds, eg Boer goats.	All. In the case of males, they must not show any secondary sexual characteristics.	Lean, tender, juicy product. Unweaned kid.

**Table 1. Market specifications *continued***

Market	Key customers	Size of goat	Age of goat	Breed of goat	Sex of goat	Other requirements
Chevon	Food services sector – domestic. High value European and USA markets.	To be classed as chevon a carcass must meet the following AUS-MEAT requirements: Female, male or castrate male caprine that:		Boer bloodlines	All. In case of males and castrate males, they must not show any evidence of secondary sexual characteristics.	Farmed. Fat score 2-3. Many markets prefer milk teeth.

*The categories listed above provide a guide to the different goatmeat markets. For more specific detail refer to individual processor weight-specification charts.*



*Drafting for weight and presenting consistent lines is important when marketing goats.*

## Marketing strategy

### Knowledge of markets

Understanding the market place is critical when setting directions for your own business. Markets are volatile and frequently changing. You need to have some understanding about the future directions of the goatmeat industry, potential new markets, the security of existing markets, pricing fluctuations and consumer trends. This will give some indication as to where the opportunities for your business may lie and the reliability of the market(s) that you are targeting.

Market intelligence can be gained from a range of sources:

- Networking with other producers.
- Stock agents.
- Traders.
- Processors.
- Market reports.
  - o *MLA News* – monthly update of market activities on the Meat & Livestock Australia (MLA) website.
  - o *MLA Goats on the Move* – quarterly newsletter providing information on the latest developments within the MLA goat programs and the Australian goatmeat industry.

- o Industry publications, eg *Goat Farming for the Future*, MLA.
- o *The Australian Goat Report* – fortnightly publication.
- o *Queensland Country Life* – weekly newspaper.
- o *The Land* – weekly newspaper.
- Breed specific publications – eg *Boer Briefs*.

Some examples of the sorts of information that can affect marketing decisions:

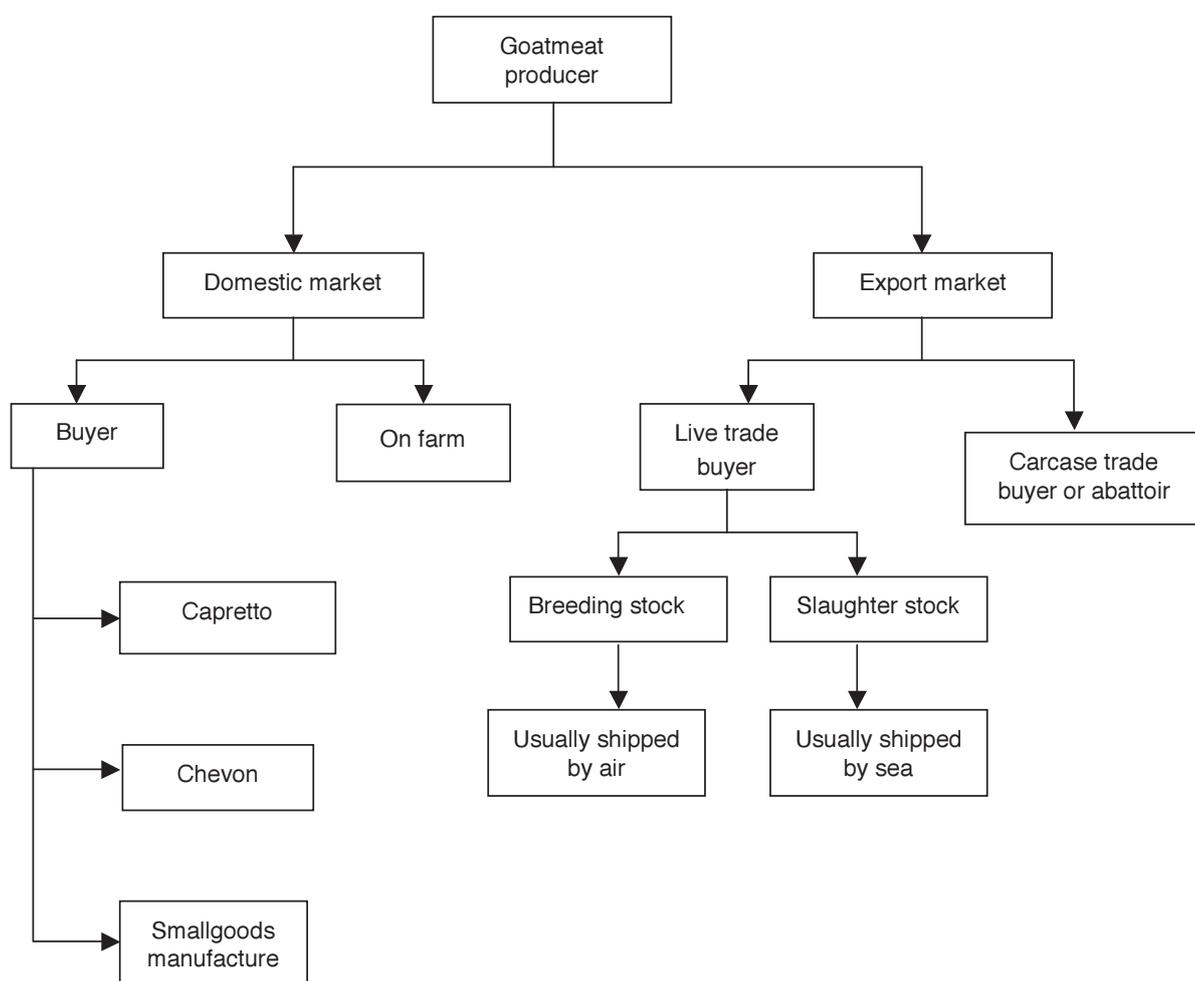
Goatmeat prices are influenced by the value of the Australian dollar. A low Australian dollar is more favourable for exports, as it makes the Australian product more affordable, thus increasing demand from other countries.

The price and availability of alternatives also influence demand and price. For example, fluctuations in the mutton market will impact on the goat market. If there is an abundance of mutton, its price may drop relative to that of goats. In such circumstances, some customers will buy mutton in preference to goat. Events such as the Haj and Ramadan will also impact upon demand.

## Selling options

### How to sell?

In the goatmeat industry, there are a number of options for selling your product. Again, access to these options may be limited by geographic location. The options are outlined in the chart below:



## When to sell?

The decision about timing of product turn-off is influenced by market demand, price, and the farm production system.

The price offered will vary according to product supply and demand. When supply is higher than demand, prices will be lower. Conversely, when supply is lower than demand, prices rise. Producers need to analyse their production system and decide on the most cost-effective time to sell product.

One of the biggest challenges facing the Australian goatmeat industry is being able to consistently supply product throughout the year. In an attempt to fulfil market demand, high prices will often be offered for product supplied outside the normal production cycle.

Goatmeat supply in Australia is typically very seasonal. One of the drivers for seasonal supply is the impact of weather conditions on the production system. In semi-arid areas, there are only certain times of year when stock can be mustered and access roads are trafficable.

The physiological limitations of goat reproduction also restrict supply.

Goats are by nature seasonal breeders, although there is variation between breeds. Breeding is triggered by shortening day-length, with the largest percentage of conceptions occurring in autumn and winter. Breeding is also influenced by temperature, stress, rainfall and feed supply. Autumn/winter conception results in spring kidding, when feed supply and environmental conditions are usually most favourable.<sup>79</sup> The provision of a more consistent feed supply can extend the breeding season, as can other social influences such as the presence of males.

Supplying product out of season requires significant changes to management, such

as altering the feed supply. Successfully managing changes to the feed supply/feed demand patterns, may necessitate supplementary feeding, fodder conservation and/or changes in pasture management; all of which come at a cost.

To assess the viability of out-of-season product turn-off, the producer should undertake a feed budgeting exercise, comparing feed supply/demand scenarios for different production systems. For more information about feeding see *Module 7- Nutrition*. This should be followed by a careful analysis of the costs and returns associated with each of the different alternatives.

Production systems in the extensive/pastoral zones are very much constrained by the environment, thus providing little realistic opportunity for out-of-season production. The greatest potential for such production is in the more intensively farmed areas operating on improved pastures. The challenge for producers in these areas is to broaden their management skills and knowledge to enable them to take advantage of the higher prices offered for turning off product out of season.

Goatmeat is often eaten as part of cultural festivals, such as Greek Christmas, Easter, the Haj and Ramadan. During these times, demand for the product is increases and premium prices are often paid to secure supply. Such events present opportunities for the astute producer.



<sup>79</sup> Parkes, J., Henzell, R. & Pickles, G. (1996). Biology. In: "Managing Vertebrate Pests: Feral Goats". Chapter 3, pp 19-24. Australian Government Publishing Service, Canberra

## Product promotion

As a producer, you need to understand and be able to accurately describe the product that you are offering for sale. The more information that you are able to supply about your product (eg weights, condition scores, age, management history, health status and quality assurance program details) the better your bargaining position with potential buyers. Buyers are looking for a specific product to fill a particular customer's requirements, so you need to be able to demonstrate that your product meets those needs.

The industry has in the past been damaged by producers who have not delivered the product that they have promised. Be realistic about what you can produce and deliver and do not expect to be paid for product delivered outside specifications.

Product promotion is particularly important when you are seeking new opportunities to market your product.

Any positive product promotion is also beneficial in raising the profile and status of the goatmeat industry as a whole.

## Opportunities for value-adding

Value-adding offers another way to differentiate your product from that of other producers and can present new marketing opportunities. Some examples of value-adding initiatives that producers have undertaken include:

- Organic production systems.
- Differentiation of products – skins, offal, head (preference for polled animals), variety of meat cuts.

- Developing local supply chains – there is a small number of existing and developing supply chains throughout Australia. From a buyer's point of view, the value of a well-developed supply chain is consistent supply. There may be opportunities for producers to develop their production system to channel product in to a supply chain.

As with any production venture, the costs associated with value-adding need to be weighed against the potential financial gains.

It is also critical that you ensure that you have a buyer(s) for your product. The geographic location of your enterprise or the type of goat produced may limit your opportunities to market a niche product. For example, an organic production system may be easily implemented in a rangeland environment, but, at this stage, there are only a few buyers willing to offer a premium for the organic rangeland product. See *Module 8 - Marketing Toolkit 8 page 4* for a list of processors and buyers.

“Incorporated into all of the above principles should be a realistic approach to prices. Do your homework and know the value of your product. Look for opportunities to be a price setter rather than a price taker.” *Justin Steadman, Gascoyne Western Australia.*

## **Toolkit 8 - Marketing**

Tool 8.1 Finding further information (page 2)

Tool 8.2 List of processors and buyers (page 4)

Tool 8.3 Preparing goats for market and relocation (page 6)

Tool 8.4 The skin-on product (page 7)

Tool 8.5 The relationship between liveweight and carcass weight (page 8)

### **Case studies**

Developing a meat sideline to a fibre enterprise  
John and Christine Brennan (page 11)

Organic production  
David and Mary Booth (page 12)

## Tool 8.1

### Finding further information

#### Useful contacts

##### **AUS-MEAT**

The national organisation and accreditation authority responsible for quality standards and the accurate description of Meat & Livestock.

Tel: 07 3361 9200  
PO Box 3175  
SOUTH BRISBANE QLD 4101  
[www.ausmeat.com.au](http://www.ausmeat.com.au)

##### **Australian Livestock Transporters Association (ALTA)**

This body represents livestock transporters and operates the quality assurance system, TruckCare.

Tel: 02 6247 5434  
GPO Box 2078 CANBERRA ACT 2601  
[www.business.gov.au](http://www.business.gov.au)

##### **LiveCorp**

The Australian Livestock Export Corporation Ltd (LiveCorp) is a company owned, controlled and funded by livestock exporters. Its role is to support the sustainable and profitable development of the trade in live cattle, sheep and goats.

Tel: 02 9929 6755 Fax: 02 9929 6733  
Suite 202, 32 Walker Street NORTH SYDNEY NSW 2060  
P.O. Box 1174 NORTH SYDNEY NSW 2059  
Email: [livecorp@livecorp.com.au](mailto:livecorp@livecorp.com.au)  
[www.livecorp.com.au](http://www.livecorp.com.au)

##### **Livestock Export Accreditation Program (LEAP)**

Is an industry-based assurance scheme initiated by ALEC and operated by LiveCorp.

[www.ausmeat.com.au/programmes/leap/](http://www.ausmeat.com.au/programmes/leap/)

##### **Meat & Livestock Australia (MLA)**

A producer-owned company adding value to the red Meat & Livestock industries of Australia by promotion and R&D.

165 Walker Street NORTH SYDNEY NSW 2060  
Tel: 02 9463 9333 and 1 800 023 100  
[www.mla.com.au](http://www.mla.com.au)

##### **The Australian Meat Industry Council (AMIC)**

The Australian Meat Industry Council (AMIC) is the peak council that represents retailers, processors, exporters and smallgoods manufacturers in the post-farm-gate meat industry

Tel: 02 9086 2200  
PO Box 1208 CROWS NEST NSW 1585  
[www.amic.org.au](http://www.amic.org.au)

##### Withholding Periods

Details about withholding periods for chemicals used on animals during production.

Tel: 1800 654 743  
[www.mla.com.au/TopicHierarchy/IndustryPrograms/LivestockQualitySystems/LivestockIntegrity/default](http://www.mla.com.au/TopicHierarchy/IndustryPrograms/LivestockQualitySystems/LivestockIntegrity/default)

#### References

##### *The Australian Goat Report*

Published fortnightly  
Tel: 02 6343 3225 Fax: 02 6343 3225  
Email: [editor@goatreport.com.au](mailto:editor@goatreport.com.au)  
[www.goatreport.com.au](http://www.goatreport.com.au)

*Australian Goat Notes*. Simmonds, A.J. 2001. Australian Cashmere Growers Association Limited. This is a published collection of papers and notes covering all aspects of goat production. Contributing papers and notes from many of the state departments of agriculture, Rural Industries Research and Development Corporation (RIRDC), breed societies and breed associations.

*Agricultural Notes for Goat Meat Producers*. McGregor, B. 2002. Department of Natural Resources and Environment, Victoria. Includes note titles such as: "Prepare Meat Goats for Sale", "Assessment Skills for Goat Meat Marketing", and "Meat and Offal Yields of Goats".

## **Websites**

Refer to *Module 1 – Property planning Toolkit 1 page 5* for instructions on how to conduct an effective web search.

## Tool 8.2

### List of processors and buyers

Contact details	Phone numbers	Market	Delivery point
<b>Queensland</b>			
Glenn Telford	Tel: 07 4623 3791	Live export	Roma
Western Exporters Neil Duncan	Tel: 07 4654 3311 and 0418 797 971	Export	Delivery depots in NSW, Qld and Charleville
<b>Victoria</b>			
Game Meats Company	Tel: 03 5756 2999	Export	Myrtleford
Jim Kyriakou	Tel: 03 9807 4621	Domestic	Wangaratta, Kyneton, Horsham and Swan Hill
June Liddy	Tel: 03 5382 2811	Domestic	Horsham
Norvic Food Jon Hayes	Tel: 02 6055 0226	Export	Wodonga
Australian Premium Goat Meat Pty Ltd.	Tel: 03 5754 2200	Domestic	By arrangement at regional abattoirs
Ascot Meats	Tel: 02 6055 0250	Export	Wodonga
<b>South Australia</b>			
Kerridale Pty Ltd	Tel: 07 4623 3336 and 02 6892 5029	Export	Waikerie
Normanville Meat Works Pty Ltd	Tel: 08 8558 2279 and 08 8558 2595	Domestic	Normanville
P&D Exports Pty Ltd.	Tel: 08 8365 2756 and 0418 819 458	Domestic and live export	Payneham
Pace Trading	Tel: 0407 394 110	Export	Port Pirie
Samex Australian Meat Co Pty. Ltd. Rob Black	Tel: 08 8413 8000 Head office Adelaide	Export	Fremantle Source carcasses from processors around Australia
<b>New South Wales</b>			
Buronga Pastoral David Booth	Tel: 02 6942 2115	Domestic	Cootamundra Premium for certified organic
Kevin Stubling Livestock	Tel: 0417 404 489	Export	Broken Hill
Moree Meats	Tel: 0419 499 518	Domestic	NSW, Qld and Vic

**List of processors and buyers *continued***

<b>Contact details</b>	<b>Phone numbers</b>	<b>Market</b>	<b>Delivery point</b>
<b>New South Wales</b>			
Mudgee Co-Op Meat Supply	Tel: 0418 559 773	Export and domestic	Bungenbah nr. Coonabarabran
PBM Prime Meats Peter and James Griffiths	Tel: 02 6336 0460	Domestic	Oberon
Pat Cuffe Livestock	Tel: 0427 488 959	Export	Wodonga
Richard Anderson	Tel: 0429 474 015	Domestic	Coonabarabran and Wilberforce NSW
<b>Western Australia</b>			
Geraldton Meat Exports	Tel: 08 9923 3591	Export	Geraldton
Independent Livestock Services Mick Doak	Tel: 08 9309 3225 and 0427 006 159	Export and live export local capretto	Live Export Muchea Beaufort River Abattoir
International Exporters Pty Ltd	Tel: 08 9575 7706	Export and domestic	Gingin
Primo Farm Fresh	Tel: 08 9732 2003 and 0419 690 559	Domestic	Donnybrook

*This list is not necessarily complete. Consult your local services for additional processors and buyers.*

## Tool 8.3

### Preparing goats for market and relocation

To minimise stress on animals.<sup>80</sup>

- Carry out any husbandry requirements at least a week prior to transporting. This may include identification tagging and national livestock identification system (NLIS) tags.
- Check the withholding periods (WHP) and export slaughter interval (ESI) requirements for any chemicals that have been used on slaughter stock. This should be done prior to using the chemical and checked and recorded on the National Vendor Declaration (NVD) before sale.
- Move trapped stock to suitable holding areas at regular intervals, and provide an appropriate ration, until shipment.
- Weigh, draft and identify animals that meet the market specification prior to shipment day. Allow them to settle before loading.



- Select animals that are healthy and fit to travel.
- Do not include dirty and scouring animals.
- Assess the fleece length and seed contamination against the specifications supplied by the processor.

- Select a transport firm with clean trucks, trained stockmen and careful drivers.
- Quietly handle goats from the holding paddock and on to the truck.
- Control and muzzle dogs.
- Separate males and females, kids and adults into different lots.
- Clearly identify the different sale lots if it is to be a mixed load.
- Use raddle only on the head, not paint.
- Sell in truck loads, thus minimising the need for mixing of unfamiliar mobs.
- Supplement with calcium prior to transporting to minimise the risk of hypocalcaemia.
- If practical, tip horns to reduce incidence of injury to other animals.
- Electrolytes in the water will reduce the incidence of dehydration.
- Feeding travel pellets ensures correct balance of nutrients.
- Remove adult goats from feed and water for 12 hours prior to shipment.
- Weaners require a longer period of fasting.
- Capretto should be weaned from their mothers just prior to transport and do not require fasting.
- Prepare the National Vendor Declaration and Waybill and health certificates, where necessary, before loading.
- Be ready on time.
- Supply the agreed number of goats for the consignment.
- On receiving a consignment, retain goats in the yards on water and provide similar rations to their pre-transportation diet.

<sup>80</sup> A significant proportion of the information in this tool has been sourced from: McGregor, B. (2002). Preparing meat goats for sale. In: "Agricultural Notes for Goat Meat Producers". Victorian Department of Natural Resources and Environment.

## Tool 8.4

### The skin-on product

This product is a carcass with the skin-on and hair removed. The carcass can be of any weight range.

The shorter-haired breeds or shorn goats are preferred for this product. Rangeland, Boer and Boer goat crosses are suitable. Angora goats are undesirable as their hair causes problems during the de-hairing process.

The de-hairing process is performed mechanically. The machinery works well if the goats are of a consistent size and condition score.

The major markets for this product are Taiwan and the Chinese community in the United States of America.

There is demand for skin-on product all year, with the highest demand usually from Easter through to December. There is also increased demand in January for Chinese New Year.

Contact your processor for up-to-date prices and product specifications.

*This information has been supplied courtesy of Jon Hayes, Norvic Food Processing, Wodonga.*



*Skin-on product at Western Exporters, Charleville*

## Tool 8.5

### The relationship between liveweight and carcase weight

The weight of the carcase is one of the three criteria used to categorise the specifications for selling goats; the other two are the age of the animal and its condition. If the animals provided for sale do not meet all the specifications financial penalties occur, as buyers find it difficult to use carcasses that do not conform to specifications.

Dressing percentage is the weight of the carcase as a percentage of the liveweight of the animal. To calculate dressing percentage you first need an accurate figure for the liveweight of the goat. Liveweight is influenced by the following factors:<sup>81</sup>

- Time off feed and water.
- Pre-slaughter fasting and stress.
- Fatness and muscularity.
- Skin weight.
- Sex.
- Whether or not the goat is weaned.
- Time of year.
- Breed.
- Type of feed.
- Carcase trim and temperature.

One of the most important factors in the calculation of liveweight is time off feed and water. The rumen of goats is quite large and full of fluid, and can vary in weight depending on its capacity and content. The total weight of a goat that has been grazing on pasture, and is therefore assumed to have a full gut, is known as 'full weight' or 'green weight'.

During the first 24 hours after the last intake of food and water, weight loss in live animals is mainly due to the loss of fill from the gut. This loss continues and is greatest in the case of animals that have been recently weaned or denied access to water or were in poor condition prior to slaughter. Some weight loss also occurs after slaughter owing to loss of water from the carcase.

<sup>81</sup> Greenwood, P., May, T. and Finn, J. (1995). Estimating prime goat kid carcase weights. NSW Agriculture. Agfact A7.1.13. First edition

**Liveweight loss as percentage of liveweight after feeding ceases:<sup>82</sup>**

Time off feed (hours)	Weight loss (%)
2	2.0
4	2.5
6	3.0
8	4.0
12	5.0
24	7.0
48	10.0
72	12.0

The wide range of dressing percentages makes it necessary for each producer to record their own results. Producers need to weigh, condition score and record all consignments and calculate the dressing percentage from their feedback sheets to be able to make accurate predictions for their stock at various times of the year.

The calculation of carcase weight (CW) using dressing percentage (DP) can be expressed in the following formula, where LW refers to liveweight:

$$CW = LW \times DP$$

Other formulae and methods for calculating carcase weight are also available.

The dressing percentage for young kids is about 37%, but this increases to about 45% for animals with good condition scores and weighing about 45kg. A dressing score of 53% is considered to be at the higher end of the range.

<sup>82</sup> Greenwood, P., May, T. and Finn, J. (1995). Estimating prime goat kid carcase weights. NSW Agriculture. Agfact A7.1.13. First edition

### Liveweight loss as percentage of liveweight after feeding ceases:<sup>83</sup>

	kilograms																		
Full liveweight	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53
Empty live weight – assumes 3% loss (6 hrs off feed)	34.0	34.9	35.9	36.9	37.8	38.8	39.8	40.7	41.7	42.7	43.7	44.6	45.6	46.6	47.5	48.5	49.5	50.4	51.4
Carcase weight	15.3	15.7	16.2	16.6	17.0	17.5	17.9	18.3	18.8	19.2	19.6	20.1	20.5	21.0	21.4	21.8	22.3	22.7	23.1

For more information on this topic refer to the following documents:

Pre-slaughter management of goats. Finn, J. Greenwood, P. May, T. 1995 NSW Agriculture. Agfact A7.1.12. First edition.

Estimating prime goat kid carcass weights. Greenwood, P. May, T. Finn, J. 1995. NSW Agriculture. Agfact A7.1.13. First edition.

<sup>83</sup> Hubbard, D. (2003). Feedback. August edition. Meat & Livestock Australia.

## Case study

### DEVELOPING A MEAT SIDELINE TO A FIBRE ENTERPRISE

NAME:	John and Christine Brennan
PROPERTY NAME:	Wyoming
PROPERTY LOCATION:	Crookwell, New South Wales
PROPERTY SIZE:	654ha
NUMBER OF GOATS:	1,000
MAIN GOAT ENTERPRISE:	Mohair fibre
TARGET MARKET:	Direct sale to processor – below 20 micron, soft rolling skin (SRS) 2 type fibre
SECOND GOAT ENTERPRISE:	Meat
TARGET MARKET:	Domestic – direct to public, niche marketing
OTHER FARM ENTERPRISES:	Sheep (wool and meat) and beef

John and Christine are planning to develop a meat enterprise as a sideline to their mohair enterprise.

They have done their research and believe that there is a market for high-quality goatmeat from animals that have been well managed from paddock to plate. The plan would be to sell the product direct to the customer, using outlets such as farmers' markets, and catering for people with special dietary needs and those who appreciate the unique qualities of goatmeat.

The opportunity exists within their current enterprise to market goats that are surplus to the fibre herd, increasing the profits generated by the business. This would require some changes to the way the herd currently operates: culling at heavier weights and breeding for increased size and robust constitution.

The alternative strategy would be to join cull Angora does to meat sires. However, John feels that this would unnecessarily complicate the system and significantly increase the workload.

The Brennans' aim is to market pure Angoras, of at least 18 months of age, promoting the fact that Angoras have more fat cover than the Boer or rangeland goat.

The extra costs that he anticipates are in processing, transport, packaging and marketing (the biggest cost).



## Case study

### ORGANIC PRODUCTION

NAME:	David and Mary Booth
PROPERTY NAME:	Buronga
BUSINESS NAME:	Buronga Organics
PROPERTY LOCATION:	Cootamundra, New South Wales
PROPERTY SIZE:	1,600ha
NUMBER OF GOATS:	800 breeding does
BREED:	Boer and Boer cross
MAIN GOAT ENTERPRISE:	Meat – specialising in certified organic product
TARGET MARKET:	Domestic – Chevon. Direct to butchers, specialty markets, farmers markets and restaurants
SECOND GOAT ENTERPRISE:	Value-adding – leather and goatmeat jerky
TARGET MARKET:	Farmers markets and direct to consumer
OTHER FARM ENTERPRISES:	Organic sheep – Dorper and White Dorper (meat), beef – Angus and Welsh Black, and cropping – Spelt

When asked to explain how goats might lend themselves to an organic production system, David made the following points:

- Goats are browsers. Under natural management they will consume about 70% of their diet in non-grass species.
- Goats will eat weeds and can be used as pasture toppers to help prevent seed set.
- Goat health directly reflects the health of the farm: “Sick goats equal a sick farm”.

The main challenges that David has found in operating an organic goat enterprise are internal parasites and unpalatable weeds. For organic producers, there are no quick-fix options for these problems.

The Booths’ system is based on rotational grazing and grass finishing. Goats that do not perform under these conditions are culled. David points out that finishing goats to a specification, for consistent, year round supply can be a challenge without supplementary feeding.

The Booths believe that a healthy domestic market, supplied with a quality product will, in the future, lead to a premium export market.

Marketing to secure a premium price requires a lot of research and hard work. The following are a few of the Booth’s marketing experiences:

- Demand for certified organic chevon was identified in a community in suburban Sydney. The product must be Halal killed and supplied direct to Sydney. Consistent supply of quality product is essential. The Booths’ are currently supplying product to one butcher-shop in the area. There is further demand from other outlets, but insufficient organic product available to take advantage of the opportunity.

- One of the Booths' markets developed rather unexpectedly. They were supplying certified organic lamb to a butcher in Canberra and provided a few goat carcasses as a trial. The Halal slaughterman made contact with the Booths' to see if they would supply a Muslim butcher, and so a new market opened.
- They have identified other markets for organic meat in Adelaide, but the cost of refrigerated transport for a small number of carcasses is prohibitive.
- Marketing via the web has been a very good investment for the business, and has resulted in opportunities for direct sales to the public. David says that the value of the web site is that customers can easily find the business and access information about the farm, the product and organic certification.
- Media exposure has also been good for business promotion. The media "love something out of the ordinary – goats, organics and farmers who value-add."
- Working with other producers has helped to fulfill demand. The Booths are now working with a group of 20 other growers to ensure that they have sufficient product to meet the demand from their markets.
- Over the last two years, their market has grown and changed. Initially they supplied 15 goats per week at 8-10kg carcass weight. Now the weekly kill is 50-60 goats, with the market preferring 12-14kg carcasses. David comments that if they were able to guarantee supply this could easily increase to 100 carcasses per week. Demand for product definitely exceeds supply.
- The Booths produce certified chevon, but sell most of the product into conventional markets.

David and Mary believe that the goat industry and the organics industry face similar challenges: both need to find ways to supply large volumes of high quality product, consistently over twelve months of the year.

