**Labeling**

Labels are beneficial to the success of a product. The attractiveness and the information found on labels are usually a major concern to consumers. An appealing label will certainly add to the acceptability of a new product.

In addition to appeal, labels are required for food products by the Federal Nutrition Labeling and Education Act (NLEA). However, the “Small Business Exemption” (Section 403 of the Federal Food Drug and Cosmetics Act) allows low volume food products to be exempt from certain requirements.

Labels must still comply with the guidelines set forth by the USDA Food Safety Inspection Service/NCDA Meat & Poultry Division. In most cases, the federal/state inspector at the plant can approve any label you wish to use on your product. However, any producer making claims such as “all natural” or “hormone free” must first contact the Labeling Review Branch of the USDA to make an Animal Production Claim.


For Additional Information, Contact:

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Community Outreach & Assistance Partnership Program
Capturing Value Between the Farm and the Fork

Value potential exists through direct marketing because it allows meat animal producers to capture much of the margin typically going to middlemen in the traditional marketing chain. However, the producer also captures much of the additional work and costs associated with marketing a food product. Direct marketers must identify and attract customers, finish or prepare their animals for slaughter, arrange for slaughter and processing, distribute the final product, and secure payment for his/her services. Still, with careful planning and a little extra work, direct marketing can be a viable and profitable opportunity for many small farmers.

Marketing Considerations
Careful thought should be taken before venturing into direct marketing meats. Some important topics to keep in mind include your customer, product, place, promotion and price.

Customer—The most important consideration in any type of marketing is the customer. It’s a good idea to have a specific customer base in mind before developing a product. In the case of small scale direct marketing meats, one convenient marketing avenue is to promote a “Farm Fresh” or “Locally Grown” product to target consumers who are influenced by these traits.

Product—in order to succeed, products must have consumer appeal; therefore, the product must be closely tied to the customer. It is important to match the features of a product to the needs of potential customers.

Consumers are not going to buy a new product if they can already obtain the product from another familiar source. Producers must find a way to differentiate their product and make it more appealing than other similar products that are already available.

Additionally, products must be in a form that is convenient to retailers and/or consumers. For example, if freezer space is limited, then purchasing a side of beef is not going to be a convenient option for some customers. In this case, being able to sell meat by the box or by the pound would meet the targeted needs of a consumer.

Place—it’s critical to have a place for selling the product before beginning a direct marketing campaign. Some possibilities include:

- Local Supermarkets/Grocery Stores,
- Local Farmers’ Markets
- Area Restaurants
- Home/Mail Order Business

Promotion—People can’t buy a product that they’ve never heard about; therefore, promotion is another key element of direct marketing. Making promotional material readily available to a targeted customer base is a good idea. Realizing that marketing avenues vary, here are a few options:

- Newspaper Blurb
- Flyers and Coupons
- Word of Mouth
- Displays and Samples
- Internet

Price—Before setting a price for a product, you must assess all of your production costs. Processing fees, advertising expenses, feed costs per head, veterinary expenses, and others should be factored into the price of the product. A fair price that allows you to make a profit while providing

Direct Marketing Advantages
- Increased protection from market variations
- Potential for tremendous gain per head
- Direct rewards for producing a high quality product
- Opportunity to build relationships with and to educate your customers
- Opportunity to fill special needs for “niche” products

Direct Marketing Concerns
- Must locate and utilize USDA and/or NCDA inspected slaughter AND processing facilities
- Must obtain a meat handler’s license from NCDA Meat & Poultry Division
- Extra work involved in self-promoting product