Niche Markets for Small Flock Poultry

Ginger S. Myers
University of Maryland Extension
Extension Ag Marketing Specialist
Director, MREDC
gsmyers@umd.edu
www.mredc.umd.edu
www.Agmarketing.umd.edu
301-432-2767
Ginger S. Myers  

gsmyers@umd.edu  

301-432-2767

- **Director of the Maryland Rural Enterprise Development Center**
- **Extension Marketing Specialist, College of Agriculture & Natural Resources, University of Maryland Extension.**
- Over 30 years of experience in production agriculture, agri-business and consulting to this position.
- Currently works with agricultural entrepreneurs, develops new markets and networking opportunities, works with new and beginning farmers, and assists with business development and business planning.
- Operates a grass-based livestock farm with husband.
What’s Your Goal

• Provide poultry products for your own table.
• Better use of your resources and family project.
• Make a little extra Money
• Operate a Profitable Poultry Enterprise

You don’t make money raising chickens-
You make money selling them and their products.
Marketing is the Entire Process of:

- Identifying a **potential market** for a product or service. (Product)
- Gathering information about the “needs” and wants” of that market. (Product, price, place, promotion)- the 4Ps of marketing
- Producing a product or service that fills those needs. (Product, price) **DIFFERENTIATE**
Entire Process Continued

• Communicating information about your product or service. (Promotion)

• Completing sales transactions (Product & Price)

• Distributing or Delivering products. (Place)
  • On the Farm
  • Farmers’ Markets
  • To a CSA
  • Retail and wholesale Outlets
Pricing

• The only “P” where money comes in. For all the others, monies go out.

• The key to marketing any “niche” farm product is to **avoid under pricing**. Consumers expect to pay more for a niche product.

• The Price is Right!
  • Eggs
  • Chickens
  • Live Birds
What’s in Your Marketing Plan?

- Don’t confuse a plan with the actual marketing activities. You need both to succeed.

- MARKETING IS A VERB
Marketing Plan

- A written document,
- Describes your marketing strategies,
- A budget for those activities.
- It defines the specific actions you will take to achieve the goals of your marketing strategy.
PRODUCT-GUIDELINES FOR SELLING EGGS
AT FARMERS MARKETS/ROADSIDE STANDS

• All producer/packers of shell eggs must register with the Maryland Department of Agriculture annually.

• Cartons of eggs are required to be labeled with:
  • a grade size
  • a safe handling statement
  • the packer or distributor name and address
  • lot number (this number should be a method of identifying the flock - if you only have one flock “A Lot 1” would be acceptable)
  • registration number of the packer
  • quantity or net weight of eggs, and the identity of the product as eggs.

• Many office supply stores can make an inexpensive stamp with this information.
Sample Egg Carton

QUESTIONS: CONTACT: Food Quality Assurance Program, Deanna Baldwin at (410) 841-5769, Deanna.Baldwin@maryland.gov
Selling Eggs - Rules and Regulations

Eggs
(Egg requirements provided are for less than 3,000 laying hens.)

In the state of Maryland, all eggs must be graded and sized if they are for sale. The sale of unclassified eggs is not permitted. If you package your eggs in used cartons, collected from friends and neighbors, you must be sure to do the following:

1. Completely mark out the USDA grade shield.
2. Completely mark out logos such as PA certified, USEP certified, MEQP, FEUP, etc.
3. Completely mark out the packer or distributor’s information.
4. Completely mark out sell by date.
5. Completely mark out any claims made by the original producer unless you can substantiate your eggs meet the claims (ex. Omega Three).

You may accomplish all of this by marking with a large black marker (Sharpie), found at most drug stores, grocery stores, or office supply stores. There is no fee, but this must be done in addition to registering your premises for owning a flock. Be sure to label the egg carton with your name, address, and telephone number. You will also need to label your carton with the Lot #. The Lot # corresponds to your flock number. For most small flocks this is the same flock they have always had and therefore should be labeled as Lot #1. Additionally, you will need to write the egg registration number on the carton (you will get this number when you register with the MDAs to sell eggs). Remember, it is free to get an egg registration number if you have less than 3,000 birds. Once you have 3,000 birds, you will then pay a $30.00 per year registration fee and $0.08 per 30 dozen sold assessment fee.

If you plan on transporting and storing your eggs, be sure to keep the eggs at or below 45°F until sold to the customer. That means you should hold your eggs in a refrigerator or cooler with ice packs. Warning, in a cooler, ice will melt and cause regular cardboard egg cartons to become soggy. This water can also contaminate the eggs so the practice is prohibited by the MDAs. This is undesirable and all efforts should be made to prevent this occurrence. Keep a small thermometer in the cooler with your eggs as proof that the correct temperature is being maintained.
Eggs

• Starting by selling to family, friends, ...
Even if your marketing is casual; you can’t be casual about food safety.
Eggs

• Marketing Options: “Place”
  Direct Retail: farmstand, farmers market, restaurant, bakers, CSA (someone elses?)
  1. Offers a great return per unit but requires more time and effort.
  2. May entail costs such as reliable transportation.

Time, time, time, time, time
Eggs

• Wholesale: (Not recommended for small flocks- except to Restaurants and Bakeries)

  • Could mean spending less time marketing, if you work with a broker.
  • Requires less time away from the farm to sell large quantities.
  • Nets lower returns per carton
Meat

• Requirements for Direct Sales of Poultry or Rabbits from the Farm

• Continuous inspection by the United States Department of Agriculture (USDA) Food Safety Inspection Service (FSIS) is not required if you are producing and processing less than 20,000 birds for meat annually. No permit or fee is required by MDA*, DHMH or the local health department.
Requirements for Slaughter and Sale of Poultry to Anywhere Intrastate in Maryland

- A producer must attend MDA’s Rabbit and Poultry On-Farm Slaughter/Processing training
- A processing certification application must be completed and submitted to MDA along with a $75 fee (http://www.mda.state.md.us/feed-food_safety-grading/food_qual_assur/pdf/poultry_rabbit_application.pdf).
- On-farm Inspection annually.
- A Producer Farmer’s Market Mobile license from DHMH is required to sell at farmer’s markets.
Meat

• Marketing Options- Place
  • Retail- same outlets as eggs.
  • Points to consider:
    – Production costs- breed, feeding regime, housing
      • Finishing weights
      • Pricing
      • Packaging
    – Processing Costs
    – Food Safety
    – Sell Frozen, whole, cuts?
    – Seasonal markets
    – Value-added products
  • Wholesale
What Breed(s) are Best for Me?

https://ohioline.osu.edu/factsheet/anr-60

What are your goals for raising chickens?
Before selecting the breed of chick to purchase, you need to ask yourself several questions. The first one is: What are your needs for your flock? This is important because you are looking at a commitment of potentially seven to eight years, which is the average lifespan of a chicken.
Other questions include:
What is your end goal for raising chickens?
Do you want a certain type of egg, or are you looking for meat production chickens?
Is your goal egg production, egg and meat production, or just meat production?
Are you interested in raising chickens for show purposes and production is not important?
Each breed of chicken has traits that make them better suited for exhibition, egg, meat or dual purpose production.
Promotion

• What are you selling?
• How best to present that message?
Avoid Minuscule Profits- Find a Niche

Savage Chickens

What's your personal brand?

"Brand"? I'm not an energy drink. I have a personality, not a "personal brand">

So...

"Traditional, yet spunky"?