

Producing Niche Market Pork

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Specialty or “niche” market agriculture accounts for a relatively small portion of total agricultural production. But the concept has been around for many years and niche market food production is by no means just a passing fad. A shopping trip to a Whole Foods supermarket or a well organized municipal farmer’s market provides direct evidence that niche market food production is a real phenomenon.

By definition a niche market is one that has a limited number of buyers and sellers, involves a unique or differentiated product and has potential barriers to enter the market. In the case of niche pork production the National Pork Board has defined niche market pork production as “*identifying and supplying pork in a way that a certain group of customers prefer or see superior value in and that does not use the traditional commodity market channel.*” This could mean raising pigs and producing pork under very stringent USDA certified organic standards, raising pigs and producing pork that meets requirements of a third party organization such as the humane farm animal care certified humane program (www.certifiedhumane.org/), or simply raising pigs and producing pork under the certain conditions identified by the producer and marketing the product as such. An example of the latter situation would be raising pigs with access to outdoor pens and using no antimicrobial feed additives, verifying this to the customer and marketing the pork under the farm’s label guaranteeing these production practices were used. Another possibility is producing pork from using certain unique breeds such as Berkshire or Tamworth. Therefore niche market pork production typically involves a particular set of pig husbandry practices, a product processing, presentation and marketing strategy and an entrepreneurial spirit to make it all work together.

Like any agricultural enterprise, there is financial risk associated with niche pork production. Producers considering niche production enterprises need to be just as savvy as larger commodity pork producers that operate as contract producers or large independents. One step in assuring this is to avoid potential false assumptions or myths about niche production. The following are several examples of these.

Myth 1 - Niche pork production is inherently good and commodity pork production is inherently bad.

This can be a sensitive or even controversial issue. Some niche pork customers may have personal objections to husbandry methods used in larger production systems and for this reason place added value on niche pork. But niche producers can serve their customers best by focusing on good production practices within their own systems rather than focusing on potential negative attributes of competing commodity pork systems. In my experience I have observed good pig welfare, good pork safety and good soil and water preservation practices on large confinement hog farms and on small outdoor-based operations. I have also observed cases with less than desirable pig welfare, food safety and soil and water protection in both of these production

settings. In either production setting good husbandry is required to provide for pig welfare, assure pork safety, and prevent contamination of surface and ground water with excreted nutrients.

Myth 2 – Niche pigs can be fed various leftovers and plant matter and still perform (grow, breed, produce milk) well.

Over the past year I have received a number of questions from niche producers on the topic of pig nutrition. Pastured pork and unusual feed ingredients such as pumpkin shells and acorns have been topics of inquiry. The historical background of use of pigs as a rural organic refuse disposal system probably contributes to some misconceptions. But the truth is pigs have rather precise requirements for energy and nutrients derived from their feedstuffs. Can pigs derive some energy and nutrients from lush green pasture? The answer is yes especially if the pigs are breeding animals or older market pigs and the pasture contains legumes such as clover. But the pig is still a simple stomached animal and we cannot expect it to perform on a predominantly forage based diet like ruminants. Can pigs consume refuse vegetable matter? Again the answer is yes but in almost all cases such materials must be well supplemented with formulated swine diets to achieve reasonable performance and appropriate pig welfare.

Myth 3 – If I produce niche pork products, customers are obligated to purchase them at a price that covers variable and fixed costs of production.

I state this myth at the risk of appearing sarcastic, but that is not the intent. The point is that a marketing and business plan is just as important in niche pork production as it is in commodity pork production. Indeed Extension Farm Management Agent, Eric Eberly, recently developed a budget for a 30-sow niche pork enterprise. Within this budget analysis total cost of production was not covered, even when the hogs were sold at a 10 cent per pound price premium to commodity market hog prices. Therefore when assessing a potential niche pork enterprise, starting with a realistic assessment of the market and product price that can be achieved and then determining if this is adequate to cover production cost within the niche system is very important.

Myth 4 – Plentiful slaughter and processing capacity exists to support the niche pork enterprise.

The fact is slaughter and processing capacity may be the most limiting factor for growth of niche pork production in Virginia and other states. Legally if someone sells meat that they own such as farm branded pork product, the pig(s) had to be slaughtered and processed in a USDA or Talmadge-Aiken inspected facility. The number of inspected small abattoir facilities in Virginia and surrounding states is limited. A resource that identifies these plants is Virginia Cooperative Extension publication 448-195 by Denise Mainville and Ashleigh Waddle. One method of niche marketing of pork that does not require inspected slaughter facilities involves selling the live animal direct to the customer with subsequent delivery to the processor. But regardless of the pork marketing method, advance planning and good communication with the processor is essential.

To summarize niche pork production along with other forms of niche food production is a phenomenon that seems here to stay. But like any farm enterprise a careful assessment is essential to determine feasibility. Questions like can standards of the identified niche market be met, can that market be routinely supplied, and is the market price and volume sufficient to cover variable and fixed costs must be objectively determined.