Introduction

Three Forks Cattle Company, headquartered near Pall Mall in Fentress County, Tennessee, markets beef from a 20-cow registered Salers herd owned by Brad and Tracy Smith. They started raising Salers cattle for seedstock sales in 2003. As the herd expanded, they moved toward selling their beef direct to consumers. Approved to retail beef for direct sale in 2009, they sell at the Market Square Farmers Market in Knoxville and to members of their local community. They also wholesale beef to a specialty grocer in Knoxville.

Approval for Retail

In Tennessee, farmers must obtain a Retail Meat Sales Permit from the Tennessee Department of Agriculture (TDA) Regulatory Services in order to sell meat to consumers. To obtain the permit, the Smiths completed an application and paid a $50 annual fee. Before a permit is granted, TDA staff inspect equipment and facilities that will store or transport the meat.

Brad said the inspection guidelines were clear. “We’ve had a good relationship with the inspector and have had no problems with state inspection,” he said. Developing a professional and cordial relationship with the appropriate inspectors and regulatory
agencies, whether at the local, state or federal level, is advisable for farms engaging in value-added beef marketing.

Other approvals required to sell beef direct include approval of packaging and labeling. Beef from Three Forks Farm is processed at a USDA-inspected facility, which packages and labels the cuts. “We designed our own label following the USDA’s guidelines,” said Brad, who has the labels professionally printed to ensure that the labels will stand up to handling and freezing. Brad and Tracy also include a “Pick Tennessee Products” logo sticker on each cut. The Pick Tennessee Products promotion program is administered by the TDA Market Development. Special claims made on labels or in other marketing materials require special approval by USDA.

The Smiths follow the USDA guidelines for naturally raised beef, and they provide an affidavit form to the USDA inspector when each steer is delivered to the processor. That form states that the animal is owned by the Smiths and that they have not used any antibiotics or added hormones or steroids during production.

The USDA also requires safe-handling instructions on each package of meat labeled for retail sale. Those instructions are placed on the package by the processor.

Lessons Learned at the Farmers Market

Sales at the Market Square Farmers Market made up about three-fourths of their beef sales in 2013. The first months of the farmers market each year, which runs from May through December, are the busiest. The start of the market requires a full inventory, he said. “Take everything you can and be fully stocked, because it’s been several months since the market has been open,” advised Brad.

The Smiths have also learned that some cuts sell better than others at the farmers market. Brad said he has found less demand at his market for sirloin steaks, cubed steak, stew meat and chuck roast. Demand also changes with the season. Brad has noted relatively more requests for stew meat and chuck roast demand in winter months. The Smiths spur demand for various cuts by providing customers with recipes.

“Our customers like to know that it’s [their beef] been born on our place, know that we’ve taken care of it, and we’ve had it processed and delivered to them,” he said.

Accessing the Wholesale Market

Three Forks Cattle Company expanded to selling to a specialty grocery store in Knoxville. “We were in Knoxville at a meeting for direct marketing beef with the Center for Profitable Agriculture in 2010,” said Brad. At that meeting, the Smiths met the person in
charge of buying meat for the store. Afterward, they continued talking with the store representative about handling their beef and worked out delivery and pricing. The Smiths stress that good communication is important to cultivate that farm-to-grocery relationship.

The Smiths are responsible for delivering their beef to the store. To offset some of the delivery expense, they add a small fuel surcharge for delivery to the wholesale price received. “It’s not large [referring to the surcharge], but it helps,” said Brad.

The grocery store also requests some of the beef to be fresh rather than frozen. The Smiths pass that request along to the processor, delivering those fresh cuts with the grocery’s other orders. The product label was also changed to read “Keep Refrigerated” rather than “Keep Frozen.”

The Smiths learned they needed to register with USDA as a meat handler in order to make wholesale sales. The process was simple, requiring completion and submittal of a one-page form – FSIS Form 5020-1, Registration of Meat and Poultry Handlers. There was no fee to register. Once the form is processed by USDA, the producer is sent a registration number. Meat handlers can be subject to an on-site inspection by a federal inspector, who will review the meat handler’s facilities and food-safety practices.

Looking Ahead

The farm’s sales volume has been about the same since they began selling at the farmers market in 2010 because of the number of cattle available. “We harvested seven head in 2013,” said Brad.

Brad, a technician for a large poultry integrator, said their farm plans to begin raising pastured broilers and process them on-farm, allowing them to offer locally raised chicken along with beef at the farmers market in 2014. He also said the grocery store is excited about the possibility of being able to purchase chicken from them.

Adding chicken to the farm’s production will require meeting additional regulations and requirements outlined by the USDA for on-farm poultry processing. Retail meat sales guidelines from the Tennessee Department of Agriculture also require poultry meat be stored separately from beef and other meat to protect food safety.

*In December 2013, the name of the TDA Regulatory Services Division was changed to the Consumer and Industry Services Division.

“Our customers like to know that it’s [their beef] been born on our place, know that we’ve taken care of it, and we’ve had it processed and delivered to them,” he said.
Learn more about the Tennessee Value-Added Beef Program and the Center for Profitable Agriculture online at https://ag.tennessee.edu/cpa or by calling (931) 486-2777.