

Submitted by: State of Alaska
Department of Natural Resources
Division of Agriculture

[Exploring Viable Markets for Remote Alaska Producers' Value-added, Shelf- stable, Red Meat Products – Phase I]

[2008 Federal-State Marketing Improvement Program Final Report]

February 5, 2010

Contents

Project Contact.....	3
Background.....	3
Cooperators and Beneficiaries.....	4
Approach.....	5
Results.....	5-8
Project Benefits.....	8
Project Status and Recommendations.....	9
Additional Information.....	9-61

Project Contact:

Patricia O’Neil, Natural Resource Specialist
State of Alaska, Dept. of Natural Resources, Division of Agriculture
1800 Glenn Hwy Ste 12
Palmer, AK 99645
907-761-3858
Patricia.ONeil@alaska.gov

Background:

Alaskan producers were looking for supplementary outlets for their red meat products, due to geographic isolation and export requirement restrictions. Previously, remote Alaskan producers had a small consumer population outlet and no USDA inspected slaughter facility available to them, resulting in product surplus. With only two USDA approved slaughter facilities between south-central and north-central Alaska, it was very difficult for remote Alaskan producers to achieve a USDA inspected product to sell at the retail level. Fresh processed meat, requiring a refrigerated container to transport Alaskan red meat to distant markets presented a financial obstacle and did not provide the producers with a distinct advantage over other meat products. The remote nature of Alaskan producers and their limited market outlet is somewhat unique in the United States, which is vital to understanding the need they had for additional market outlets.

In an age of convenience, markets have been looking for healthy and convenient foods. Several seafood products, such as Alaskan salmon, tuna and crabmeat have been packaged as retort products and have found success in the market place. Consideration was given to the additional health benefit of retort technology, which eliminates the need for artificial preservatives. Understanding their unique position and their opportunity, research was conducted to determine if there was a market for shelf-stable red meat and what the potential markets would be. We have determined that there is a market for shelf-stable red meat products, but it varies greatly depending on the product type, i.e. summer sausage, roast, steak, hamburgers, etc.

Market research was conducted to establish if organic or naturally certified red meat was desired. Research indicated that being certified would give them more market options, but that a “naturally certified” meat is also desired. Remote Alaskan producers have the capability of becoming USDA Organic Certified. Although producers currently comply with organic standards they are not certified because of cost barriers.

In the fall of 2009, a USDA certified mobile slaughtering facility began operation, providing remote producers with new slaughter and market options. This Multi-Location Abattoir (MLA) has facilities to process a cooked meat product, otherwise known as modified retort technology, resulting in a shelf-stable product. This USDA inspected shelf-stable product allows Alaskan producers to access a market outlet previously unavailable to them and it eliminates the hurdle of transporting fresh meat, requiring refrigeration, from remote Alaskan islands to the mainland. We feel this project was successful and feel Alaskan producers will continue to benefit from it.

Cooperators & Beneficiaries:

First and foremost, Alaska Meat Company contributed significantly to this project. They donated untold amounts of time, gave many conference presentations, and donated a lot of meat for the success of this project. They attended various events and offered their shelf-stable meat products for taste-testing. Their product was a hit, which has been very encouraging! Without their efforts, this project would not have been successful.

Both the Kodiak and the Palmer Soil and Water Conservation District (SWCD) made considerable contributions to this project. Each district office cooperated on the three different conferences that we held, and without their support, knowledge and assistance, we would not have achieved such success.

Several of our producers were also cooperators. Many of our producers traveled a great distance to attend Division hosted conferences. Travel is extremely expensive in Alaska and many producers put the effort forth to share their knowledge and experience at our conferences. We consider their time, conference participation and travel funds as a cooperative effort. We also had several producers attend our final conference in Kodiak, who traveled from the “mainland” and put forth their funds and time to do so (Map: Page 14).

The direct beneficiaries include all the producers who will utilize the multi MLA with the retort technology. This includes eight remote producers, located in Kodiak, Akutan, Sitkinak and Homer (Map: Page 14). Additionally, we had 30 producers attend our conferences, who benefited from all the information sharing and also have the option of using the MLA and retort technology. One individual stated that he had not ever been to such a compelling conference. As sales increase with new market opportunities, more producers will realize the benefits of the MLA and shelf-stable meat, and will be encouraged to utilize the MLA and the retort processing.

The project was very beneficial because the producers realized they must consider the target market and how to access it. Initially it seemed our producers were going to market a product, pick a label, and move forward without further insight. Through the exposure at the trade shows, speakers at our conferences and our market research report, they came to understand that marketing was as much of the product, as the product itself. Production of the shelf-stable meat products officially began on October 16th 2009. As they produce their shelf-stable product, they are aware of what will sell and what their target markets are, which was previously unknown.

We later learned that companies who had been producing a shelf-stable meat had quit doing so because it was a less popular item and moved slowly. However, with the restrictions that our remote producers have, it is not an alternative product but their primary product. We were encouraged from the market research completed that there is a market for this unique product and it is primarily within Alaska.

Approach:

This project had two goals:

- Increase the Alaskan livestock producers' awareness of feasible outlets/markets for shelf-stable products
- Determine the necessity of and the best organizational structure for Alaska's remote red meat producers

While we were ambitious to determine *what* the markets for shelf-stable red meat were, we first needed to determine *if* a market for such a product existed. We used these two goals to ascertain if there was a market, and what the best organizational structure would be to penetrate their potential markets. We are pleased that through the objectives of this project we not only found that markets existed, but what the best possible markets are.

Results:

This project was quite successful. The goals and objectives as originally proposed are listed below, along with the results achieved.

Goal #1 Increase the Alaskan livestock producers' awareness of feasible outlets/markets for shelf-stable products

- Provide an opportunity for project cooperators to attend industry trade shows that would help determine viable markets for their shelf-stable meat product
- Invite a Key Speaker to present at a red meat producer conference, sharing with Alaskan producers how producers in similar remote areas are successfully marketing their products
- Host and attend three producer conferences
- Request a shelf-stable meat shipment from a current seller, to test shipping methods and receive sample product

Goal #1 Actions & Results:

One Division staff member and two producers attended the Fancy Food Show (FFS - www.fancyfoodshows.com.) They shared their experiences and their knowledge gained from the Fancy Food Show at our second hosted conference. Nathan Mudd with the Alaska Meat Co, made some excellent contacts at the trade show, including with spice and logo companies. He purchased spices from an attending vendor and also worked with a logo company, both contacts that he made at the FFS. These contacts were important for product and market development.

One Division staff member and one livestock producer attended the All Things Organic Trade Show and Conference (www.organicexpo.com.) They attended several conference sessions, spoke with viable market outlets, and had discussions with potential business partners, in packaging and marketing. Contact was made with an all organic meat company who expressed great interest in meat from remote islands in Alaska. They currently purchase beef from Uruguay, so the remote nature of Alaska did not seem daunting to them. This information was provided to Alaska producers, and contact with the company was made. During the show we

learned that being certified organic would open doors for our producers and it would be easier to defend a higher priced item. This information was presented at the third hosted conference.

We hosted a total of three conferences. Our first conference was held remotely in Kodiak, and we had 13 people in attendance, primarily our interested producers who were largely affected by this research. We presented the project outline to them and discussed organizational options. They concurred that a cooperative versus an association would be most beneficial. We requested input on a guest speaker for our second conference, and chose when it would be held.

Our second producer conference was very successful. We had 52 people in attendance and we had state-wide participation, including a producer all the way from Akutan (a six hour boat ride plus an 800 mile flight!) and we received a lot positive feedback (Maps: Page 14). The guest speakers were from Thundering Hooves (www.thunderinghooves.net). As both producers and marketers, the guest speakers were very well received with valuable and relevant information to share. They were available at lunch and after the conference for producer questions. Producers obtained information on direct marketing, how to show consumers that they are meeting their need, and how to best present their product.

Our third conference was held in Kodiak again, where we shared information gathered at All Things Organic, (conference & trade show), showed sample shelf-stable meat products from items ordered, and discussed the market research that was conducted. We had an excellent turnout of 22 people. Given the remote location (fly in or ferry only) we were pleased to see high participation. The conference included a lot of producer discussion. The Alaska Meat Company revealed the recent development on their logos and labels (Logo: Page 9).

We ordered product from a shelf-stable meat supplier. This was valuable information and producers observed their selling & marketing techniques, their packaging options and their box graphics. Retort salmon was ordered, which had a picture of a “native” salmon with Denali (Mt. McKinley) in the background (Logo: Page 13). We discussed what salmon had to do with Denali and the answer was “nothing.” However, Denali and the graphics inspired thoughts of a pristine and cold environment, where fish could only be fresh and tasty. We also discussed the purchasing website and how the salmon company packaged items together to better sell their product. I ordered different packages, so they could view the finished products. This was very successful and stimulated producer discussion on several topics, regarding consumer perception of a product and best marketing and presentation techniques.

Goal #2 Determine the necessity of and the best organizational structure for Alaska’s remote red meat producers

- Contract with a market research firm which will determine the needs of targeted buyers and how to best meet them.
- Perform a benefit analysis on various organizational structures including a cooperative, an association, a brokerage, and an independent system
- Research production systems with similar geographical constraints to better understand processing systems, shipping methods and organizational structure

- Disseminate all information received and present a project summary at the final producer conference

Goal #2 Actions & Results:

We successfully contracted with a market research firm to survey the industry regarding shelf-stable meat. We met with the firm and discussed the project in detail. The market research firm did a great job reaching industry professionals to analyze opinions on whether there would be a market for shelf-stable red meat. The results (Report: Page 16) showed that there is a market for shelf-stable red meat, although the target market varies by the type of product being sold. For example, institutions such as schools were very interested in a ready-to-eat roast, because of limited preparation needed in the school kitchens. However, this product was not at all desired by chefs preparing meals at restaurants. This report is available in detail in the additional information section.

We did a market perception survey at the beginning of the project, to evaluate what producers considered as their primary markets. At the final conference we surveyed producers again and evaluated if they “felt better equipped to market a shelf-stable meat than prior to the grant research.” The responses were unanimous; they all felt that they had gained valuable information that they could use to market the new products. We were pleased with these results and felt that this confirmed the success of this project.

We performed a benefit analysis at the first producer conference, and discussed the various organizational options for our livestock producers. Division staff presented different organizational structures, and the benefits and drawbacks of each. Based on this analysis, it was decided that a cooperative would form, as only one HACCP (Hazard Analysis and Critical Control Points) would be needed and producers could sell on the hoof to the MLA (Multi-location abattoir). Currently the MLA is operating under the name of “Alaska Meat Company,” and as business develops they will purchase and harvest cattle from other remote producers to sell as a retort product. The market research concurred that it would be best to have one “seller” to work with rather than many, in accordance with the producers’ thoughts.

We verbally disseminated all information gathered and verbally presented a project summary at the final producer conference. In addition to that, we have posted this final project summary and the research report on our website. Presentations from the conferences were and still are available for receipt. We have all the project information available upon request.

Additional Results:

There was an Alaska conference/trade show, hosted by Global Food Collaborative, in Kenai, Alaska. Division staff and the Alaska Meat Company attended because of potential valuable contacts for Alaska market outlets. The information below was shared at the final conference. Four valid contacts were made.

- Costco attended the conference, and it is possible that they will be a market outlet for a local “beef link.” Costco is becoming very aware of the value of providing local product, and this may work in the producers’ favor.

- Amazon.com attended the show, and spoke there as well. They have a shelf-stable online store. We have contacted them regarding the possibilities of carrying a shelf-stable red meat product. Discussions are on-going.
- Yummy Chummies is a local company that produces premium salmon dog treats. We spoke to them about having a premium all-beef dog treat, in an effort to have varied market outlets.
- The Matanuska School District attended, and we discussed the possibility of providing a premium retort meat for students' lunches. As a pre-cooked item it would save time and resources.
- Alaska Meat Company offered product sampling at their booth. They were very well received.

We sponsored a guest speaker, Mel Coleman from Coleman Natural Foods, for the Alaska Association of Conservation Districts conference to speak on "natural" livestock production. He spoke on their role in the development of the natural industry in the 80's. He primarily discussed marketing and working with the industry to expand market options. He had constructive information which was well received by Alaska producers.

Division staff and the Alaska Meat Company attended the Alaska School Nutrition Association exposition. Primary purchasers for all school districts attended to assess what products were available for purchase for their school districts. The Alaska Meat Company offered healthy snack sticks, summer sausage and stew meat as an option for purchasing. Several districts indicated strong interest and were very specific in their questions and requests. This was excellent outreach and an opportunity to speak to the purchasers for the school districts. It is yet to be seen what the outcome will be but we do anticipate that next year they will provide stew meat to villages and snack sticks as an ala carte item to the Anchorage School District.

Division staff arranged a shipment of red meat from Fairbanks to Haines. Southeast Alaska has a great interest in eating "Alaska Grown" foods, but has a difficult time obtaining product. Primarily items are shipped up from the contiguous 48 states and it is difficult to find a carrier heading south. However, we did find a carrier heading to Haines, Alaska and a grocery store who would buy product to sell to their customers. We arranged a special shipment to see if the market could handle the price. Within the first three days $\frac{3}{4}$ of a side of beef had sold, which was a pretty amazing amount, and it was sold at an inflated price to account for the higher cost of the meat and the freight. We are hoping that this test shipment will demonstrate that shipping Alaska Grown red meat to southern parts of Alaska is feasible and worthwhile.

Project Benefits:

Valuable market data was gathered during this research. Not only was it determined that shelf-stable meat was a viable product, but the research ascertained which markets best fit the individual products. Our producers will move forward to access these markets for those products. Package and logo design have been put "on hold" until the producers have the time and resources to dedicate to further development. They are planning on taking an appropriate amount of time to market their product utilizing professional assistance. Potential labels that were developed are included in the additional information section.

[Type text]

Project Status & Recommendations:

Production of shelf-stable red meat products began in the fall of 2009. While harvesting the animals was slower than expected, they are already thinking of ways to revamp the processing system, so that additional product will be available to sell. We recommend sourcing the viable markets that were indicated through the market research. The Alaska Meat Company is developing a website where product will be available for purchase. They have been devising potential logos and labels and we recommended that they continue working with professionals on this matter. We have encouraged Alaskan producers to promote their product to hunters, snowmobilers, and hikers. We feel they have an optimistic future ahead of them.

Additional Information:

1. The Alaska Meat Company is developing a website. Their address will be www.AlaskaMeat.com.
2. Logo & Label Development 1

ALASKA MEAT COMPANY
Original Flavor
BEEF STEAK

Fully Cooked • Heat & Serve
PRODUCT OF KODIAK ISLAND, ALASKA



AlaskaMeat.com

Grass-Fed, Certified Natural
Free-Range, No additives



34786
U.S. DEPT. OF AGRICULTURE

EatWild.com

Price \$5.99 Net Wt. 8oz (227g)*

Front Sticker: Left room to put a border around it and still be a 3x4 sticker

Extra labels that I'll use separately:



Cooking Instructions: Tear open pouch and slide meat & sauce onto microwavable plate. Pour leftover sauce from pouch onto meat. COVER and heat 45 seconds on HIGH. Cooking time may vary.

Nutrition Facts		AMERICAN DIET		% DAILY VALUE*	
Total Fat 1.0g		2%	Total Carbohydrate 15g		3%
Sodium 100mg		2%	Fiber 2g		4%
Total Protein 10g		20%	Sugars 1g		2%
Cholesterol 10mg		20%	Fat 10g		20%
Sodium 100mg		2%	Sodium 100mg		2%

INGREDIENTS: Beef from Sitkinak Island Alaska, Salt, Spices. Minimally Processed, No Artificial Ingredients.

*Approximate weight.

Product of Alaska

Contact: Alaska Meat Company, PO Box 8933, Kodiak, AK 99615

Find great recipes at: **ALASKAMEAT.COM**

Lot No.

Back Sticker: I don't have the Nutrition Facts done yet; it is being developed by Katy @ Fish Tech Center

ALASKA MEAT COMPANY

PRICE 5.99



**ORIGINAL FLAVOR
BEEF STEAK**

Fully Cooked - Heat & Serve

Product of Kodiak Island, Alaska
Grass-Fed, Certified Natural
Free-Range, No additives



alaskameat.com
eatwild.com

Net Wt. 8oz (227g)



NEW!
Replacement
Quality
Meat in
An Instant!



Grass-fed, Certified Natural,
Free-Range, No Additives

Original Flavor

**BEEF
STEAK**

Fully Cooked • Heat & Serve
A good source of Omega-3*



EatWild.com
Net Wt. 8oz (227g)

C

NEW! Restaurant Quality, Meal In An Instant!



Grass-fed, Certified Natural, Free-Range, No Additives

Original Flavor
BEEF STEAK

Fully Cooked • Heat & Serve
A good source of Omega-3*



EatWild.com
Net Wt. 8oz (227g)

A



ALASKA MEAT COMPANY



**ALASKA
MEAT
COMPANY**

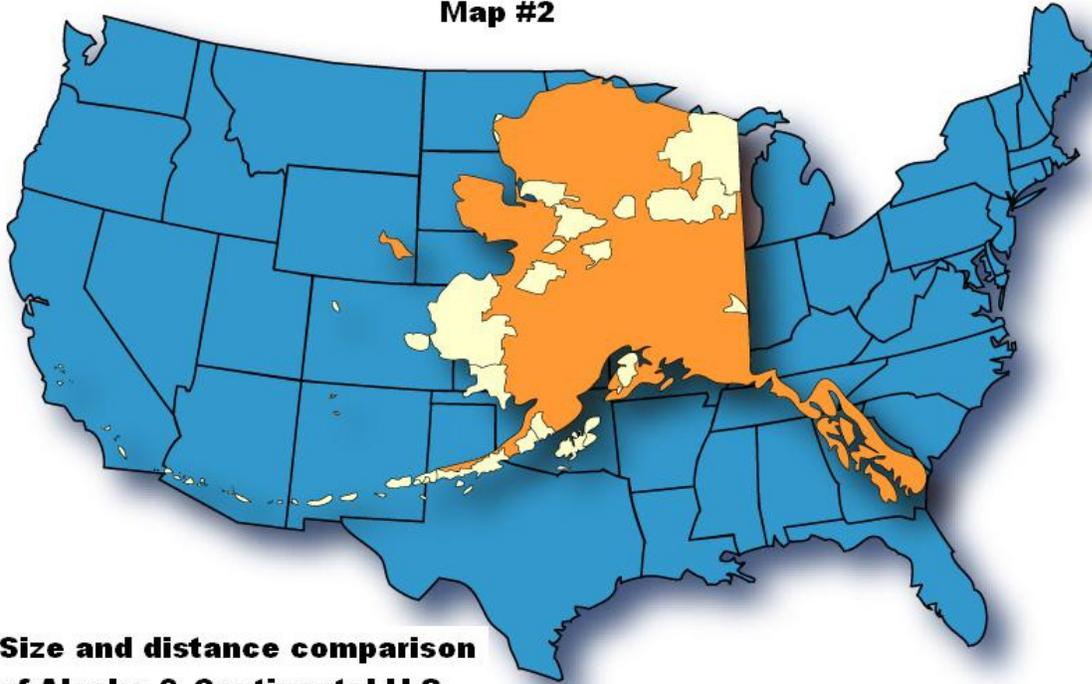
[Type text]

3. Alaska Cannery Box Graphics 1



[Type text]

Map #2



Size and distance comparison of Alaska & Continental U.S.



[Type text]

5. Figure 1 - Market Research Report



Shelf-stable Red Meat Market Research

Prepared by Solstice Advertising and Ivan Moore Research

ASP # 10-09-058

August 31, 2009



CONTENTS PAGE

I. BACKGROUND

II. RESEARCH METHODS

III. RESEARCH FINDINGS

- A. The top three markets for large volume sales
- B. The specific type of shelf-stable red meat products the target markets have interest
- C. The base price customers (either retail or wholesalers) are willing to pay
- D. Survey demographics

IV. SOLSTICE RECOMMENDATIONS

V. APPENDIX - SURVEY

VI. APPENDIX - EXPANDED DATA

VII. APPENDIX - VERBATIM



BACKGROUND

Eighty miles southwest of Alaska's Kodiak Island lay the 33,000 grassy, flat acres of Chirikof Island – treeless, cold and at the mercy of high winds and pounding waves. Its harsh climate has historically discouraged permanent human settlement, but Chirikof Island—named for the Russian explorer who claimed it in the 18th century, Captain of the ship St. Paul—does have year-round inhabitants.

In addition to human inhabitants, for more than 100 years the island has been home to a herd of approximately 700 non-domesticated cattle whose origin is not entirely known.

A team comprised of the Agricultural Research Services (ARS) and the University of Alaska-Fairbanks (UAF) worked with Colorado State University (CSU) to genetically analyze the breed. The result was that "the cattle on Chirikof Island were [identified as] genetically quite unique relative to our commonly used commercial breeds."

Among commercial breeds, Chirikof Island cattle were most closely related to Highland, Hereford, and Angus with similarities to Siberian Yakut cattle. The herd is unique not only genetically but also in that it is the only beef raised on unfenced pristine pastures in all of the United States.

Chirikof is part of the Alaska National Maritime Wildlife Refuge, whose federal managers hope to see the herd population managed because the presence of cattle ruin the island's chances of returning to a more natural state and providing bird habitat, refuge manager Greg Siekaniec stated in a 2006 *Kodiak Daily Mirror* interview. "The herd is large enough that over the course of a winter it basically eats the island bare," Siekaniec said.

Nathan Mudd with the Alaska Meat Company has built a mobile slaughtering facility for remote islands such as Chirikof with the goal of managing the herd. The mobile slaughtering facility uses a process known as retort packaging to maintain the taste of the beef in this remote setting. Retort processing produces a shelf-stable meat product.

The goal of the following research is to identify the top markets for the processed beef for large volume sales, the specific type of shelf-stable meat products target markets are interested in purchasing and the base price customers are willing to pay.



RESEARCH METHODS

Survey Design

Solstice Advertising representatives consulted with Ivan Moore Research to develop the research objectives for this project. The research team, in collaboration with the State of Alaska Department of Natural Resources (DNR) Division of Agriculture, designed the survey instrument to gather the primary data. The questions ultimately incorporated in the instrument can be found in the Appendix.

The research design for this study consisted of a telephone survey instrument that sought to measure attitudes and preferences of key market decision-makers in a structured qualitative and quantitative manner.

Once designed, the survey instrument was reviewed and approved by the Division of Agriculture prior to the start of data collection. The survey interview was designed to average 10 minutes in length and follow a structured set of approximately 10 open and closed-ended questions.

Sample Development

Solstice Advertising used a combination of 46 known Alaskan red-meat wholesalers and retailers provided by DNR, a sampling of American Meat Institute (AMI) members and buyers, and a representative sampling of Alaska institutional food services organizations (Alaska school districts food buyers) to develop a frame of potential respondents for use in initiating telephone calls for this survey. AMI is a national trade association that represents companies that process 95 percent of red meat in the U.S. and their suppliers throughout America. All of the respondents were based in the United States except for one in Australia – notable because of Australia's efforts in marketing shelf-stable red meat products.

Each respondent was asked a screening question to ensure that his or her company sold, processed or distributed red meat products. If the respondent answered no, the call was terminated.

Data Collection/ Interviews

The interviews were conducted by Ivan Moore Research trained interviewers. Multiple attempts were made to contact interviewees to assure the maximum feasible response rate.

Data Analysis and Reporting

The sample population is representative of the type of buyers the Chirikof Island shelf-stable meat products have targeted for sale and distribution.

[Type text]



All relevant statistical tables and findings from the analysis have been included in this research report. Computer-generated graphics have been utilized where appropriate to clarify results and enhance understanding of the data.

Survey questions are grouped together for reporting purposes when they are related. Also, the order in which the questions are presented in the findings is not the same as in the survey instrument. Refer to the Appendix for the actual question presentation sequence.



RESEARCH FINDINGS

Identify the top three markets for large volume sales

Question: From your perspective working within the meat industry, do you think a viable market exists for a line of shelf-stable Alaska beef products?

	DOES VIABLE MARKET EXIST FOR ALASKA SHELF-STABLE BEEF:	
	Count	%
Yes	17	37.0%
No	12	26.1%
Maybe	15	32.6%
Don't know	2	4.3%

Of the respondents who stated "Yes there is a viable market for shelf-stable Alaska beef products" only 27.8 percent were wholesalers or distributors with 70 percent of the affirmative coming from institutional food services organizations.

Many meat distributors communicated that fresh, lean, organic beef at a reasonable price does have a place in the current market but warned selling retort meat would be as much about selling the retort process as selling the cut of beef itself.

A common recommendation was selling to West coast distributors and Canadians who tend to place a higher premium on organic and to reduce shipping costs from Alaska.

The specific type of shelf-stable red meat products markets have interest

Question: What are the recommendations for shelf-stable products to try and market?

	MARKETABILITY OF HAMBURGER PATTIES:	
	Count	%
Yes	39	84.8%
No	4	8.7%
Maybe	2	4.3%
Don't know	1	2.2%

	MARKETABILITY OF SLIM-JIM TYPE SAUSAGE:	
	Count	%
Yes	30	65.2%



No	10	21.7%
Maybe	3	6.5%
Don't know	3	6.5%

MARKETABILITY OF STEW W/ VEGETABLES:		
	Count	%
Yes	28	60.9%
No	7	15.2%
Maybe	6	13.0%
Don't know	5	10.9%

MARKETABILITY OF CHILI:		
	Count	%
Yes	28	60.9%
No	9	19.6%
Maybe	7	15.2%
Don't know	2	4.3%

MARKETABILITY OF ROASTS:		
	Count	%
Yes	24	52.2%
No	14	30.4%
Maybe	5	10.9%
Don't know	3	6.5%

MARKETABILITY OF BREAKFAST SAUSAGE:		
	Count	%
Yes	23	50.0%
No	18	39.1%
Maybe	3	6.5%
Don't know	2	4.3%

MARKETABILITY OF BEEF-BASED CAMPING/HIKING MEALS:		
	Count	%
Yes	22	47.8%
No	15	32.6%
Maybe	3	6.5%
Don't know	6	13.0%

3700 woodland drive, suite 300, anchorage, ak 99517 | t: 907 258 5411 | f: 907 258 5412 | solsticeadvertising.com



MARKETABILITY OF 8OZ STEAKS:		
	Count	%
Yes	22	47.8%
No	19	41.3%
Maybe	2	4.3%
Don't know	3	6.5%

MARKETABILITY OF BREAKFAST PATTIES:		
	Count	%
Yes	22	47.8%
No	20	43.5%
Maybe	2	4.3%
Don't know	2	4.3%

MARKETABILITY OF GROUND BEEF SAUSAGE:		
	Count	%
Yes	20	43.5%
No	13	28.3%
Maybe	8	17.4%
Don't know	5	10.9%

MARKETABILITY OF KOSHER HOTDOGS:		
	Count	%
Yes	18	39.1%
No	13	28.3%
Maybe	8	17.4%
Don't know	7	15.2%

MARKETABILITY OF CHIPPED BEEF STEW:		
	Count	%
Yes	17	37.0%
No	12	26.1%
Maybe	7	15.2%
Don't know	10	21.7%

Meat wholesalers and distributors valued different products (Slim Jim, stew and chili) than institutional food services organizations (roasts, stew and breakfast sausage) but both groups valued hamburgers highly.



The base price customers (either retail or wholesalers) are willing to pay

Question: What percentage premium do you think could exist on these types of products before their viability in the marketplace becomes too disadvantaged?

	PERCENTAGE PREMIUM:	
	Count	%
Zero	12	26.1%
1-10%	7	15.2%
11+%	10	21.7%
Not sure	17	37.0%

While institutional food services organizations were the most receptive to this red meat product they were the least likely to place a price premium on the certified organic label or the wildness of the product. They appeared to be most interested in the ease of preparation and quality of lean beef.

The majority of meat wholesalers and distributors believed there was increased viability for the product if it was labeled certified organic with 47 percent of respondents placing some additional premium on the wildness of the product. It is unclear if this group believes the retort process adds value to the product—they seem to appreciate freshness over convenience. The amount of premium pricing varied based on the product proposed.

Demographic findings

Respondents that distribute processed meat at the retail level.
Qty = 20 55.6%

Respondents that process meat provided by ranchers.
Qty = 17 47.2%

Respondents that distribute processed meat at the wholesale level.
Qty = 32 88.9%

Respondents that work with ranchers in a support role.
Qty = 8 22.2%

Years in operation.

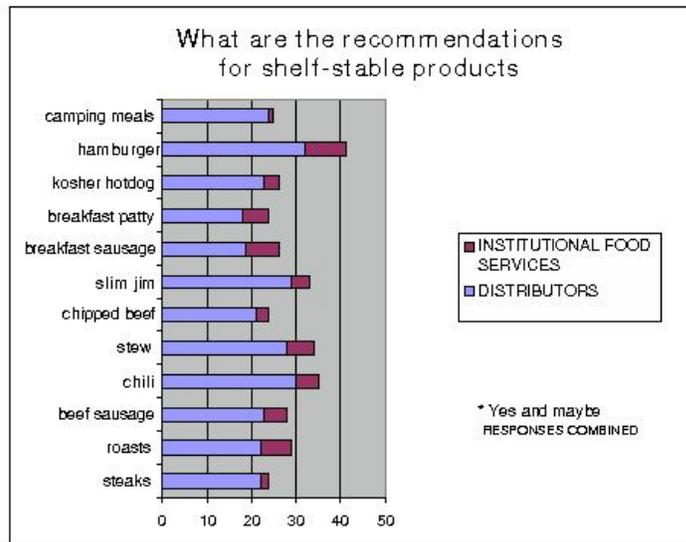
0-30 years Qty = 10 27.8%
31-60 years Qty = 13 36.1%
61+ years Qty = 13 36.1%

[Type text]



Gender			
Male	Qty = 36	78.3%	
Female	Qty= 10	21.7%	

3700 woodland drive, suite 300, anchorage, ak 99517 | t: 907 258 5411 | f: 907 258 5412 | solsticeadvertising.com





SOLSTICE RECOMMENDATIONS

Based on the findings of this initial research Solstice Advertising recommends producing products in the initial years of the project for institutional food services organizations.

These groups are the less likely to drop the brand if high quality is not initially achieved. Institutional food service organizations are also the most receptive to the convenience aspect of the retort process. Ease of preparation and the lean meat nutritional content should be the marketing and labeling design focus for this target audience.

Hamburger patties and chili are recommended as the initial products produced since these items meet the preferences of both the institutional food services client and the red meat wholesalers and distributors. If only a single product can be manufactured than hamburger patties should be produced.

Solstice recommends that the product begin the process to be labeled as certified organic. It will take time to earn the organic label and during that time the meat quality can be brought to a consistent premium taste level, which commercial wholesalers and distributors will demand. There is considerable risk in selling tough or gamey steaks to this audience as it is easy to quickly gain a poor reputation for the product.

When a consistently good tasting product with the organic label is ready for the market Solstice recommends that it be sold in the refrigerated meat section so as to compete directly with other gourmet meat products and not appear different from their closest competitors. Not having to explain the retort process or have the product in an unusual part of the store will better allow the agency to describe the key positive features of the product.

This audience values freshness, lean cuts of beef and the wildness of products. Labeling and marketing of such a product should describe the wildness (fence-free cattle) and exceptional quality and taste of the product. Solstice recommends focusing on West coast and Canadian distributors who tend to place a higher premium on organic foods and to reduce shipping costs from Alaska.

A third product to consider for the red meat distributor market is a Slim Jim type jerky beef stick, which would not be refrigerated. This type of product is very profitable and the retort process would not be seen as a barrier by this type of consumer.



APPENDIX – SURVEY MEAT DISTRIBUTOR OPINION SURVEY

IVAN MOORE RESEARCH
TEL: 278-4600

Hello, my name is _____ and I'm calling for Ivan Moore Research, an Alaska public opinion research firm. We're conducting a feasibility study for the State of Alaska concerning meat products.

S1. Does your company sell, process or distribute red meat products?

IF YES, CONTINUE...
IF NO, TERMINATE...

OK, I need to speak with a person who markets, buys or sells red meat products on behalf of your company. (GET CONTACT ON LINE... MAKE APPOINTMENT IF NECESSARY) This survey will take just a few minutes. Your opinions are important to us, and we'd appreciate your participation if that's OK with you, and of course your responses will be completely confidential.

1. The State of Alaska is considering whether a viable market exists for a line of shelf-stable Alaska beef products. The animals are located near Kodiak Island in Alaska and the logistics of processing the meat on location into shelf-stable products is in place. The environment at the location is pristine, and the beef is high quality and free of any pollutants, chemicals or additives. But the location is also remote and the price of the products will be higher than other similar products. First of all, from your perspective working within the meat industry, do you think a viable market exists for a line of shelf-stable Alaska beef products?

ENGAGE IN CONVERSATION FOR FURTHER INFORMATION: IF YES, GET THEIR OPINION AS TO WHY. IF NO, ASK WHY NOT. IF MAYBE, ASK WHAT IT DEPENDS ON.

2. What type of shelf-stable beef products do you think there is the best market for?



3. Let's say you were in charge at the State of Alaska and you had responsibility for deciding which types of shelf-stable products to try and market. I'm going to read you a short list of products... tell me whether they'd make your list.

1	2	3	4
YES	NO	MAYBE	NOT SURE

Hamburger patties:
Slim-Jim type sausage:
Stew with vegetables:
Chili:
Roasts:
Breakfast sausage:
Beef-based camping or hiking meals:
8oz steaks:
Breakfast patties:
Ground beef sausage:
Kosher hotdogs:
Chipped beef stew:

GET ADDITIONAL COMMENTS ABOUT WHICH THEY PREFER AND WHY

4. Given that there would need to be a premium cost associated with these products to cover increased cost of production and shipping, we're interested in your opinion about how much of a premium you think the market could bear. What percentage premium do you think could exist on these types of products before their viability in the marketplace becomes too disadvantaged?

5. Do you think these products viability in the marketplace would be increased if they were produced and certified organic?

6. What do you think the best markets are for these products, either in terms of geography, or in terms of organizations or channels of distribution?

7. What other advice do you have that will help us answer the question about the viability of these products? Any other



comments? Would you proceed with this project if you were in charge? What do we need to think about?

8A. Does your business distribute processed meat at the retail level?

8B. Does your business distribute processed meat at the wholesale level?

8C. Does your business process meat provided by ranchers?

8D. Does your business work with ranchers in a support role?

9. And how many years has your business been in operation?

10. NOTE GENDER...

That completes the survey. I have a telephone number for Ivan Moore Research that you can call with any comments, compliments or complaints. Would you like the number? (907-278-4600) Thank you very much for your help. Goodbye.



APPENDIX – Expanded Data

	RESPONDENT TYPE:			Total
	Meat	School	Col %	
	Distributor	District		
	Col %	Col %		
DOES VIABLE MARKET EXIST FOR ALASKA SHELF-STABLE BEEF:				
Yes	27.8%	70.0%		37.0%
No	33.3%			26.1%
Maybe	36.1%	20.0%		32.6%
Don't know	2.8%	10.0%		4.3%
MARKETABILITY OF 8OZ STEAKS:				
Yes	55.6%	20.0%		47.8%
No	36.1%	60.0%		41.3%
Maybe	5.6%			4.3%
Don't know	2.8%	20.0%		6.5%
MARKETABILITY OF ROASTS:				
Yes	47.2%	70.0%		52.2%
No	36.1%	10.0%		30.4%
Maybe	13.9%			10.9%
Don't know	2.8%	20.0%		6.5%
MARKETABILITY OF GROUND BEEF SAUSAGE:				



Yes	41.7%	50.0%	43.5%
No	30.6%	20.0%	28.3%
Maybe	22.2%		17.4%
Don't know	5.6%	30.0%	10.9%
MARKETABILITY OF CHILI:			
Yes	63.9%	50.0%	60.9%
No	16.7%	30.0%	19.6%
Maybe	19.4%		15.2%
Don't know		20.0%	4.3%
MARKETABILITY OF STEW W/			
VEGETABLES:			
Yes	61.1%	60.0%	60.9%
No	16.7%	10.0%	15.2%
Maybe	16.7%		13.0%
Don't know	5.6%	30.0%	10.9%
MARKETABILITY OF CHIPPED			
BEEF STEW:			
Yes	38.9%	30.0%	37.0%
No	25.0%	30.0%	26.1%
Maybe	19.4%		15.2%
Don't know	16.7%	40.0%	21.7%
MARKETABILITY OF SLIM-JIM			
TYPE SAUSAGE:			
Yes	72.2%	40.0%	65.2%
No	16.7%	40.0%	21.7%
Maybe	8.3%		6.5%
Don't know	2.8%	20.0%	6.5%
MARKETABILITY OF BREAKFAST			



	RESPONDENT TYPE:			Total
	Meat	School	Col %	
	Distributor	District		
	Col %	Col %		
MARKETABILITY OF BREAKFAST				
PATTIES:				
Yes	44.4%	60.0%		47.8%
No	50.0%	20.0%		43.5%
Maybe	5.6%			4.3%
Don't know		20.0%		4.3%
MARKETABILITY OF KOSHER				
HOTDOGS:				
Yes	41.7%	30.0%		39.1%
No	25.0%	40.0%		28.3%
Maybe	22.2%			17.4%
Don't know	11.1%	30.0%		15.2%
MARKETABILITY OF HAMBURGER				
PATTIES:				
Yes	83.3%	90.0%		84.8%
No	11.1%			8.7%
Maybe	5.6%			4.3%
Don't know		10.0%		2.2%
MARKETABILITY OF				
BEEF-BASED				
CAMPING/HIKING MEALS:				



Yes	58.3%	10.0%	47.8%
No	22.2%	70.0%	32.6%
Maybe	8.3%		6.5%
Don't know	11.1%	20.0%	13.0%
PERCENTAGE PREMIUM:			
Zero	16.7%	60.0%	26.1%
1-10%	19.4%		15.2%
11+%	27.8%		21.7%
Not sure	36.1%	40.0%	37.0%
VIABILITY INCREASED IF			
CERTIFIED ORGANIC:			
Yes	58.3%	40.0%	54.3%
No	25.0%	60.0%	32.6%
Maybe	13.9%		10.9%
Don't know	2.8%		2.2%
DISTRIBUTE MEAT AT RETAIL			
LEVEL:			
Yes	55.6%		55.6%
No	44.4%		44.4%
DISTRIBUTE MEAT AT			
WHOLESALE LEVEL:			
Yes	88.9%		88.9%
No	11.1%		11.1%
PROCESS MEAT PROVIDED BY			
RANCHERS			
Yes	47.2%		47.2%
No	50.0%		50.0%
Don't know	2.8%		2.8%

[Type text]



	Total	100.0%	100.0%
-+	+-----+		

3700 woodland drive, suite 300, anchorage, ak 99517 | t: 907 258 5411 | f: 907 258 5412 | solsticeadvertising.com



	RESPONDENT TYPE:			Total
	Meat	School	Col %	
	Distributor	District		
	Col %	Col %		
WORK WITH RANCHERS IN A				
SUPPORT ROLE:				
Yes	22.2%			22.2%
No	77.8%			77.8%
BUSINESS YEARS IN				
OPERATION:				
10-30 years	27.8%			27.8%
31-60 years	36.1%			36.1%
61+ years	36.1%			36.1%
GENDER:				
Male	91.7%	30.0%		78.3%
Female	8.3%	70.0%		21.7%
Total	78.3%	21.7%		100.0%



		DOES VIABLE MARKET EXIST FOR ALASKA			
		SHELF-STABLE BEEF:			
Total		Yes	No	Maybe	Don't know
Col %		Col %	Col %	Col %	Col %
RESPONDENT TYPE:					
Meat Distributor	78.3%	58.8%	100.0%	86.7%	50.0%
School District	21.7%	41.2%		13.3%	50.0%
MARKETABILITY OF 80Z					
STEAKS:					
Yes	47.8%	58.8%	33.3%	53.3%	
No	41.3%	23.5%	66.7%	33.3%	100.0%
Maybe	4.3%	5.9%		6.7%	
Don't know	6.5%	11.8%		6.7%	
MARKETABILITY OF ROASTS:					
Yes	52.2%	82.4%	16.7%	46.7%	50.0%
No	30.4%	5.9%	58.3%	33.3%	50.0%
Maybe	10.9%		25.0%	13.3%	
Don't know	6.5%	11.8%		6.7%	
MARKETABILITY OF GROUND					
BEEF SAUSAGE:					
Yes	43.5%	70.6%	33.3%	26.7%	
No	28.3%	11.8%	25.0%	40.0%	100.0%
Maybe	17.4%		33.3%	26.7%	
Don't know	10.9%	17.6%	8.3%	6.7%	



MARKETABILITY OF CHILI:					
Yes	76.5%	41.7%	53.3%	100.0%	
60.9%					
No	17.6%	16.7%	26.7%		
19.6%					
Maybe		41.7%	13.3%		
15.2%					
Don't know	5.9%		6.7%		
4.3%					
MARKETABILITY OF STEW W/					
VEGETABLES:					
Yes	70.6%	50.0%	60.0%	50.0%	
60.9%					
No	11.8%	25.0%	13.3%		
15.2%					
Maybe		25.0%	20.0%		
13.0%					
Don't know	17.6%		6.7%	50.0%	
10.9%					
MARKETABILITY OF CHIPPED					
BEEF STEW:					
Yes	35.3%	25.0%	53.3%		
37.0%					
No	23.5%	33.3%	26.7%		
26.1%					
Maybe	5.9%	33.3%	13.3%		
15.2%					
Don't know	35.3%	8.3%	6.7%	100.0%	
21.7%					
MARKETABILITY OF SLIM-JIM					
TYPE SAUSAGE:					
Yes	58.8%	75.0%	73.3%		
65.2%					
No	11.8%	25.0%	20.0%	100.0%	
21.7%					
Maybe	17.6%				
6.5%					
Don't know	11.8%		6.7%		
6.5%					
MARKETABILITY OF BREAKFAST					
SAUSAGE:					
Yes	58.8%	50.0%	40.0%	50.0%	
50.0%					
No	23.5%	50.0%	46.7%	50.0%	
39.1%					
Maybe	11.8%		6.7%		
6.5%					
Don't know	5.9%		6.7%		
4.3%					

[Type text]



	Total		37.0%		26.1%		32.6%		4.3%	
	100.0%									
+-----+										

3700 woodland drive, suite 300, anchorage, ak 99517 | t: 907 258 5411 | f: 907 258 5412 | solsticeadvertising.com



		DOES VIABLE MARKET EXIST FOR ALASKA			
		SHELF-STABLE BEEF:			
Total		Yes	No	Maybe	Don't know
Col %		Col %	Col %	Col %	Col %
MARKETABILITY OF BREAKFAST					
PATTIES:					
Yes		64.7%	33.3%	40.0%	50.0%
47.8%					
No		23.5%	66.7%	46.7%	50.0%
43.5%					
Maybe		5.9%		6.7%	
4.3%					
Don't know		5.9%		6.7%	
4.3%					
MARKETABILITY OF KOSHER					
HOTDOGS:					
Yes		47.1%	50.0%	26.7%	
39.1%					
No		17.6%	25.0%	40.0%	50.0%
28.3%					
Maybe		17.6%	16.7%	20.0%	
17.4%					
Don't know		17.6%	8.3%	13.3%	50.0%
15.2%					
MARKETABILITY OF HAMBURGER					
PATTIES:					
Yes		100.0%	91.7%	60.0%	100.0%
84.8%					
No			8.3%	20.0%	
8.7%					
Maybe				13.3%	
4.3%					
Don't know				6.7%	
2.2%					
MARKETABILITY OF					
BEEF-BASED					
CAMPING/HIKING MEALS:					



Yes	58.8%	58.3%	33.3%	
47.8%				
No	29.4%	33.3%	33.3%	50.0%
32.6%				
Maybe		8.3%	13.3%	
6.5%				
Don't know	11.8%		20.0%	50.0%
13.0%				
PERCENTAGE PREMIUM:				
Zero	35.3%	33.3%	13.3%	
26.1%				
1-10%	5.9%	25.0%	20.0%	
15.2%				
11+	17.6%	16.7%	33.3%	
21.7%				
Not sure	41.2%	25.0%	33.3%	100.0%
37.0%				
VIABILITY INCREASED IF				
CERTIFIED ORGANIC:				
Yes	64.7%	41.7%	60.0%	
54.3%				
No	29.4%	33.3%	33.3%	50.0%
32.6%				
Maybe	5.9%	16.7%	6.7%	50.0%
10.9%				
Don't know		8.3%		
2.2%				
DISTRIBUTE MEAT AT RETAIL				
LEVEL:				
Yes	70.0%	41.7%	53.8%	100.0%
55.6%				
No	30.0%	58.3%	46.2%	
44.4%				
DISTRIBUTE MEAT AT				
WHOLESALE LEVEL:				
Yes	90.0%	100.0%	84.6%	
88.9%				
No	10.0%		15.4%	100.0%
11.1%				
PROCESS MEAT PROVIDED BY				
RANCHERS				
Yes	50.0%	50.0%	46.2%	
47.2%				
No	40.0%	50.0%	53.8%	100.0%
50.0%				
Don't know	10.0%			
2.8%				

[Type text]



	Total		27.8%		33.3%		36.1%		2.8%	
	100.0%									
+-----+										

3700 woodland drive, suite 300, anchorage, ak 99517 | t: 907 258 5411 | f: 907 258 5412 | solsticeadvertising.com



DOES VIABLE MARKET EXIST FOR ALASKA				
SHELF-STABLE BEEF:				
	Yes	No	Maybe	Don't know
Col %	Col %	Col %	Col %	Col %
WORK WITH RANCHERS IN A SUPPORT ROLE:				
Yes 22.2%	40.0%	16.7%	15.4%	
No 77.8%	60.0%	83.3%	84.6%	100.0%
BUSINESS YEARS IN OPERATION:				
10-30 years 27.8%	40.0%	33.3%	15.4%	
31-60 years 36.1%	30.0%	41.7%	38.5%	
61+ years 36.1%	30.0%	25.0%	46.2%	100.0%
GENDER:				
Male 78.3%	64.7%	91.7%	86.7%	50.0%
Female 21.7%	35.3%	8.3%	13.3%	50.0%
Total 100.0%	37.0%	26.1%	32.6%	4.3%



APPENDIX – Verbatim comments

001 There is a market for one product and that's organic boneless meat, i.e. "the kill-bone trade." Taking the bones out of the cow and shipping to a processor as boned meat. Shelf-stable market is a no-go, freeze and vacuum pack *only*.

I would sell ground "chili grind" to chili companies, but not as chili in a can, stew meat to sell to companies who can stew, and also for hamburger patty grind. I don't think there is any market for shelf-stable, canned goods and/or irradiated soft pack. Could also have ground beef in chilled packages

Volume would have to be at a level where shipment would be by 40 foot containers, 20 foot containers would not be economic. The plant must be certified organic or there's no real market. The largest buyer of organic meat product in US is Costco. There are specialty markets for organic that are viable. Southern California has a big market for the tongues, livers, face meat, and kidneys. The cheaper cuts such as oxtails, feet kidneys, knuckle-meat, etc, are so cheap they're worthless. Regarding tongues you're looking at about \$5/tongue.

Obviously you have two products that would be the most feasible, one is boneless bulk 85-90% lean product; second is boneless bulk 50-65% lean product. For this size operation, cut steaks and choice pieces cut out would have a higher value, but questionable whether it would be economical to process to that extent versus a strictly boning operation.

I'm making the assumption that you're dealing with lighter cattle, grass fed, such by the time that you skinned and boned them you would have 333 pounds of boneless meat. Your reason there is no market for the canned beef at this time is that we're having massive slaughter off of California dairy cattle at this time, such that the market for "shelly canners" (an old dairy cow, the toughest of the tough) is virtually oversold right now and we can't give the meat away. Basically if you got the cattle free this would work, if you have to pay farmers to raise them, it wouldn't work. I am available to consult with. I've recently set up a plant in Honduras at San



Pedros Sula. There is a market for natural/organic beef for the Halal market (Muslim kosher). I've had experience in processing feral animal meat; specifically I have had experience processing camel meat from Australia to the US for the Halal market. Have experience in third world meat development.

One question I need to know, does Kodiak have ticks on the cattle? Control of ticks by pesticide makes the meat non-organic. There is a Russian market for natural beef, and I don't know what portion of that market would be on pacific coast, but there is a market. Your main market for Alaskan boned out carcass meat would be Chicago Omaha possible east coast, no market on west coast due to the slaughter of dairy cattle in California.

002 No there is no viable market for shelf-stable meat, there is however a market for fresh, organic beef. The best thing is to hit the west coast first. It seems silly to branch out all over the United States. Use the west coast as a testing subject first.

The Slim-Jim/jerky types of shelf-stable product, as well as beef based camping/hiking meals are excellent for Alaska due to the camping and hiking. The hamburger patties would be sellable.

As for the best markets, I'm not too sure about shelf-stable. Talk to Chipotle they have support through there website and could market it through their website.

Should read a book by Al Reis called "Positioning" or anything else by him or Jack Trout, they know what they're talking about in regards to marketing. Basically, if you want to sell this product you will need a story behind it. Tell the story of Kodiak Island, don't just say it's "Alaska Beef." People will be more likely to pay more money for something with a background/story and if they know where it's coming from.



Tell me why I should be excited? Yeah, it comes from Alaska and that's great, but what else is there? The big boys will drown you out. They will lower their prices for awhile so people will be more likely to buy their product.

003 Fresh, lean beef is very popular in the high end market. Kobe and Wagyu meat sells for a very high price per pound. The beef would have to be at the prime level for American restaurants.

As for shelf-stable, retail is the only way to go. Shelf-stable beef does have a market, but shelf-stable companies are asking double what fresh beef costs. The consumer loves to have something they can take out of the bag, can/etc, heat up, and eat. The convenience of it is great, but people aren't buying it because it's too expensive; instead consumers are mostly buying fresh, ground beef. The meat market itself is hitting a downward trend. Years ago fresh meat, in varying cuts and sizes filled a marketplace, today seafood is the primary seller. The economy is also playing a factor, especially here in Chicago.

One thing to keep in mind is that the USDA regulations have created a lot of problems for shelf-stable meat. When you have to first cook a product, there are many more guidelines to follow. The standards are much tougher. The meat has to be cooked over 160° over various lengths of time to kill all bacteria. Salmonella, e-coli, and especially listeria are big problems. Microbiological samples must constantly be taken and tested. The government will also come and conduct tests.

There is a huge market for beef jerky/Slim-Jim type of meat here. They ask \$6 for 2 ounces. That's an excellent profit. As for 8 ounce steaks, it really depends on the price and the cut of the meat. If it's a good price, it will sell. Roasts are always a big item, but again it depends on the price point and the cut of meat. Ground beef sausage has too much competition with the Alaska reindeer sausage. Stews are very big here in Chicago. Chipped beef stew is not a big seller, but would be good with Army style rations, like MRE's. As for breakfast sausage and patties, pork tends to rule that market. There is also a big market for Kosher hotdogs,



sausages; especially with all of the ballparks here. Hamburger patties are more seasonal. They sell quite well from May to the end of August. Camping and hiking meals are an excellent way to go. There are many consumers who participate in outdoor activities such as hunting, fishing and camping who are looking for shelf-stable meat. The west coast would be great target area for this, as well as the military.

A 20% premium could exist, but it is more realistically a 10-15% premium. The margins are very close because shipping is so expensive, it costs me \$0.25/per pound to ship from here (Chicago) to Seattle. I have to sell a lot of product to make just 4-5% profit.

The best geographical market is the west coast. Organic is very big there. The further east you move, the more price conscious the consumers are. The economy is hard and people are more likely to buy based on price than organic. We deal with an organic company, and some of the stores here can't keep the product on the shelf because it sells so well. But, the majority of the bigger stores and chains have a hard time selling the organic because of the price. Shipping and distribution costs may be lower on the west coast as well.

Sell the more expensive cuts fresh and cook/prepare the rest of the meat for retail/wholesale shelf-stable. You should market fresh, organic meat to the cruise lines there, and the nice hotels and restaurants. You get more money for your dollar that way. Majority of companies do this. Remember that the shelf-stable market is very tight. There are stringent USDA guidelines and costs, but consumers enjoy the ease of use. Talk to big sporting good companies about ready made meals for hunters, campers, etc. It's odd to me that you would want to do shelf-stable only. Also, Costco is the big competitor to everyone – they buy everything from cargo and are hurting the rest of the market.

004 No shelf-stable, just go strictly fresh organic. Produced and sold in Alaska or close by. The price would be hindering to the lower 48. Beef jerky and other meat snacks have the best market as far as shelf-stable. The competition is based on the geographic areas' local beef



producers. Right now the beef business is hurting and struggling. It's just not big enough to warrant a high premium (over 20%). I don't think this is feasible, everything costs more.

005 There might be a viable market. I am skeptical about it. The success of this venture will depend on price and quality of the meat. The only real market for shelf-stable meat is jerky. And the market in Alaska should be great for that. You could build an outdoors-type of market around jerky/Slim-Jim type of products. The best market for this would be a sporting goods/camping store. It's going to be really hard to get into retail, such as Fred Meyer's or Albertsons, you would have to buy shelf space which costs a lot of money. Basically you would end up spending all of your profit before you could make one. A specialty store that identifies with the outdoors would be the best. They would be more willing to market the product and not charge as much.

006 If it's labeled as locally grown or Alaska grown, people will react better. Consumers like to buy products that are labeled "locally grown." Stores like to feature locally grown products, wherever they may be from.

Steak, ground beef, top sirloin by price, and tenderloin would all do well in the shelf-stable market. You seem to have the basis covered, start with the lower priced products first. It's tough, but the percentage premium cannot go over 20%. Organic products are nice and always help, but the cost would go up and only certain consumers would buy it. Most people these days go by price point. Grocery is the number one channel of distribution – plain and simple, that's it. Number one, market fresh or frozen; fresh is better, but the logistics from where the cattle is butchered to where it is shipped is the toughest obstacle.

007 Having the high price just isn't going to work – bottom line. The best market for shelf-stable lies in sirloins and rib-eyes. Ground beef products have a spot open in the market right now. There are already too many other distributors of shelf-stable meats. The best channel of distribution is through the retail/grocery stores.



008 There is a viable market, but it will be all about the price. If you want to be competitive you will have to have a low price. The best product would be ready to eat meat. For the chili and stew, this is a definite yes. It is something that is popular, and is acceptable in the industry and with consumers. For the chipped beef stew, it's a 50/50. Some people like it, some don't. There is a big market for jerky/Slim-Jim and breakfast sausage/patties, but there is a lot of competition. A lot of people prefer pork or chicken breakfast sausage/patties over beef. If the hamburger patties are pre-cooked, than that would be a good idea. Beef based camping and hiking meals have a larger, more open market. Organics are nice, but it's always about the cost. Volume may not dictate cost. I'm not sure what the best markets are. At the end of the day it's always about the price and it needs to be competitive.

009 I just don't know enough about the shelf-stable market to say anything except for maybe. This is because the cost of slaughter, cost of processing, cost of shipping, and the taste and texture of the product are all variables which would affect the feasibility of such a project. I don't see a market particularly for shelf stable but there would be a market for whole carcass shipped chilled. In the US there might be a market for fresh premium cuts only in the natural meat market (steaks, roasts, etc), but not frozen. No market for frozen natural beef in US. If organic, a chilled 8 oz strip would definitely sell, and so would a chilled top round. Current economic situation, i.e. the recession, would limit the sales for premium priced meats. Look to California, both due to the shipping costs and there is a greater market for natural and/or organic beef in California. Definite yes to proceed, but before doing so be very conscious of your costs because your competing with a worldwide commodity that could come from anywhere with your lower grade cuts. For example, if you're dealing with ground beef, it could come from just about anywhere, especially low costs, over seas producers.

010 There is no market for canned meat anymore. A good market exists for frozen ground beef. There would be a segment of the meat market that would be attracted to premium priced natural ground beef due to its exotic source, the "pristine islands" in Kodiak, but this is a small market. I'm interested in marketing the frozen premium ground beef. I think there could be a 100% premium on that product. Small, but high margin market if you stress the uniqueness of



the source. Geographically hit the west coast due to 30-40% premium to ship to east coast. As for organizations/distribution look at high end food services such as restaurants rather than selling directly to consumers. The taste and toughness (concerning steaks) of the meat would be crucial in order to get repeat purchase at a high premium price.

011 We would have to process in Alaska as it would be too costly to ship fresh meat. Boar's Head does not process frozen beef or do any other deli cuts manufacturers. We also do not use organic meat. I don't know the premium as we do not use organic and or/natural beef, the highest premiums would be the Pacific Northwest, New York City and San Francisco. Those areas have the biggest demand for organic/natural beef. Call Wild Oats and ask them (an organic supermarket chain). When someone is buying organic meat the highest percentage premium would apply primarily to the best cuts. There would be no premium for organic beef by products (tripe, ox tails, knuckle meat, etc) i.e. no market for "organic bologna."

012 No viable market exists – the logistics of the operation would be too expensive. Would this be retail, wholesale or both? If it is retail it would only work in the Alaska market. Brand awareness – if people don't know your product, they won't buy it. Frozen burgers would be the best market. Kansas City Steak would be an excellent distributor for that. 8 ounce steaks are the right sized portion for selling. Ground beef sausage would not work; I've never even had that so I have to wonder if anyone would buy that. No Slim-Jim – it's too processed. And camping/hiking products don't appeal to the mass market. The best market for shelf-stable is grocery stores. Think about your finances. Proceed if you have the capitol to market the brand – people don't like to be sold, they want to buy.

013 Maybe, I would not put my money into it. Shelf-stable industry already has a market established with low cost producers already in place. You don't see high end shelf-stable products. There is not a big frozen steak/roast business. Jerky and Slim-Jim type of meat works – you're selling the idea of the product, not the high quality meat. The Kosher hot dog business is a tough one with a lot of work involved, and if you don't know what you're doing you will not make any money at it. If I were you I would find a partner in Asia. They like crazy



cuts over there. Export partner in Japan or Korea, areas were snack type applications are popular. I don't know what other advice I could give you without knowing the economics. Marketing groups try to get into the business often. Good ideas don't go anywhere without money.

014 There is just not a real market for it here. Canned goods are sold in export and produced in South America. I don't really deal with any shelf stable meat, so I couldn't really say what the best market is for different products. Beef jerky types of meat are the only thing that I think would sell well. Look at convenience stores, large sporting good stores like Cabella's, grocery stores, etc. Think about the export market. Canada doesn't have a lot of food manufacturers. Russia is another option, but there are economic and freight challenges. Take a look at what JBS does in South America.

015 If the price is too high it won't do well in today's market. The consumer is looking for cheap products. If the meat was hormone free/no additives I would consider making an investment – the market for that is huge right now. I don't have a clue about the best market for shelf-stable. When I think of shelf-stable, I think about salmon. Roasts would do well if they were sized properly (smaller portions that feed 2-4 people). There is a growing market for stew/chili home replacement meals. Breakfast sausage/patties are more of a pork market. Jerky is an interesting market to try, but would be more successful than the others. Stay away from hamburger patties and focus on the camping/hiking meals. Essentially, ready to use meals would be best. Look at sporting good stores, high end grocery, and whole foods/natural type store. Stay away from the ordinary. Look at stores like Harry & David in Medford, OR.

016 Millions of dollars in marketing has been spent in developing free range chicken. This would be the only unfenced beef from unfenced pristine pastures; all of the beef in US is raised behind fences. The two factors that would determine the feasibility are price and taste. The higher cost would have to be offset by good taste. The unique source would enhance the salability at a premium price to specialty trade, but this would be critically affected by the actual taste of the product. Does this beef taste different (in a good way) compared with other natural and/or organic beef in which it would compete in market share/sales? The most sellable



product at a premium price would be middle meat cuts, such as rib eyes, t-bones, sirloins, none of which you would sell as shelf-stable, but sold unfrozen or as frozen marinated steaks to the restaurant trade. Frozen non marinated beef does not sell. Canned beef is at the low end of the range of what is sellable, such that it would be precluded by our high cost shipping and high cost processing. The low price per unit would be found in regards to canned product, and there would be a very low demand for canned beef. The USDA's program of making generic meat available to food banks is where most of it would end up. Frozen marinated steak is of a premium taste product. You could develop a profitable niche market, but, caveat, these cuts represent a very small portion of the yield per carcass. What would you do with the other 90% of the carcass? As for the viability of the product, organic would work, but would hinder you in the Midwest as consumers there almost demand grain fed beef because of better marbling (which affects the texture) and a higher fat content. It's a better beef flavor. The whole project sounds like a logistical nightmare I would go with the "free-range" concept. Call it "free-range beef." It would draw a great crowd to market.

017 It's possible that it could work, but the environment will be a factor. The temperature in which the cattle are kept will be a large factor. If it's going to be all natural or organic it would work, because then people are willing to pay extra, if not it will be a struggle. People like to buy a product with a story behind it. Tenderloins or top sirloins, essentially middle cuts, would be the best shelf-stable products. The chili, stews, hamburger patties, the camping/hiking meals, and the Slim-Jim type sausage would work. It's a maybe for the roast, it's a further processed item and you don't want to start at the end of it. The further processed you go, the more work there is involved. 8 ounce steaks are cut down too far and there is too much production involved. The ground beef sausage is a flooded market and it's tough to hold in there. There is not a big market for beef breakfast sausage/patties, most consumers prefer pork or turkey. The camping meals would be my first choice. When you think about Alaska, you think about pristine wilderness and it would tie in well with the marketing. The main market will be the northwest coast and then slowly spread from there. I would not proceed with this if it comes down to being fully processed because of the work involved. Stay at a sub-primal stage, and then after that you can move to a fully cooked level years down the road.



018 No it is not a viable marketable item. We have to know we're their raised, what they're being fed and I don't see why a consumer would buy this product. If it's more expensive it's subjective. How ill it be graded? And, what is its kill date? Would it be an older or younger cow? For shelf-stable beef in Australia, we usually lean towards the fresh market, but vacuum sealed, and smoked and/or preserved does well here. I don't have enough information about the steaks and roast to have an opinion on that. The stew, Slim-Jim type, breakfast sausage/patties, kosher hot dogs, hamburger patties and the beef based camping/hiking meals. Canned stews are the best way to go. People are used to it and it's easy to get to market in a can. Ground beef sausage could work, if there was something special or unique about it. Chipped beef stew is a maybe, but I can guarantee you it won't sell here in Australia. Organic could go either way. Specialty stores like Cabella's would do well. Customers go to stores like that to buy organic products. But for stores like Costco, I don't think it would work. Consumers who shop there usually look for the best deal. I'm not sure what the best market for these products is, but having a long shelf life in Asia is good. You should market to Alaskans. I would ascertain a USP (a Unique Selling Proposition). I would ask myself, why is my product better or different? And, if you don't have an answer, you don't have a product. Profile the attributes of the product, and ask the consumers what they want.

019 Maybe, but why would a further processor purchase this product? What is the value proposition? I'm not sure what type of shelf stable products you should go for because I am in the sub-primal level. The beef patties would probably be your number one seller, but you could probably market your whole list of items. Retail would be the best market, no specifics. I would only proceed with this project if I had unlimited financial resources. I wouldn't market to the lower 48, I would look to market these products in Canada.

020 I don't see any market for Alaska Beef as a shelf-stable item (canned or dehydrated); frozen yes, canned no. Develop a relationship with a specialty beef distributor and hire into restaurants who may want to feature high end organic beef. That would be a very limited market as most steak restaurants are interested in premium aged, grain fed beef, which is an



entirely different flavor spectrum. They might try organic to see if there is any repeat business for it, most would not be a market, but some top end ones may offer it as a novelty item. The meat business is tough now, margins are in pennies. Marketing cost would be the deciding factor in viability (the cost of establishing a premium market as a unique product).

021 There is a definite market in western Canada, but it's relatively small (about a half-million kilos per year for frozen ground natural and/or organic beef). Canadians eat more frozen burgers than the US market. Premium cuts such as steaks would be over and above the half million kilos stated above. I have no quantitative figure for the markets for steaks and roasts. In Canada the uniqueness of the source this "pristine isle" as it's called, would be the key to the marketing premium for Alaska Beef. The uniqueness of its source would be the key to establishing a specific market identity with the retailer, super market chain, etc, and developing a marketing plan stressing and emphasizing the Alaska source of this product. If you want a premium you have to establish a separate identity otherwise you're just another commodity ground beef distributor. You're competing globally on a bulk, low-end market. In Canada frozen ground beef and steaks would be the highest margin product. Frozen patties both hamburger size and smaller breakfast patties, frozen steaks and roasts, possible chilled unfrozen products shipped to British Columbia for sale in Vancouver and Victoria. And overall the shipping costs to the various markets would be the determinative consideration. The margins are that low. Wal-Mart and Costco would be the best markets for this in Canada. I have no knowledge of the US market. Organic meat market in Canada is entirely different than the organic market in the US as the legal requirements for a product to be certified organic are much stricter in Canada e.g. product to be certified as organic in the US would not necessarily meet the standards for Canada. It's almost impossible to get the Canadian certified organic, but where this place is, you may get Canadian organic certification. NAFTA should supersede any gripe they might have about it being a non Canadian source of origin. The law on the books may be litigated but NAFTA should supersede, such that Canada would be required to certify a US producer who met Canadian quality standards. The cost analysis of the total of shipping plus processing plus marketing costs would be the determining factor. Do you anticipate a sufficient volume (gross sales) to adequately fund the development of the "unique source identity" to differentiate your



product? Without developing such a unique source identity I don't see how you could generate the necessary premium to offset your higher costs in shipping. As a commodity producer your doomed, you need a brand identity and a sufficient marketing program and for that you need enough gross sales to fund the product.

022 The market for higher priced product is rotten now. My trade is the super premium, dry, aged prime beef, the top of the line. That's what I know. This steak market is the worst I have ever seen. My market for grass fed beef to the top of the line steak houses is zero, none. I don't deal with shelf-stable products at all and therefore have no idea what would market might exist. These are guesses as to what would sell as I don't deal with any shelf-stable. The better top of the line steakhouses would definitely not be a market for you. The cost/taste of the product is the key to the viability of your beef selling at a premium. Those who would pay a premium would be very taste sensitive. The diners at better restaurants would not want the taste of the grass fed steak versus a grain fed.

023 We process carcasses bought from slaughter houses and my knowledge of markets is strictly from the Midwest. Everybody wants cheaper prices now due to the economy. Big producers dominate the patty market for hamburgers, breakfast, etc, like Johnsonville, Clements and Usinginge due to the sheer massive volume of product they handle. Breakfast patties are a slow seller. This has dedined very much in recent years. We quit handling it due to the lack of demand. For camping/hiking meals look to the Department of Defense, that would be a huge market for all of your shelf-stable, especially stews and ready to eat meals. Can't the Alaska Natives get a non-competitive bid if they were involved in producing ready to eat meals for the D.O.D.? Toast with ground beef and gravy, also known as SOS ("shit on a shingle") would be an excellent market within the Department of Defense. Everyone who has served in the military knows what that is.

024 It's questionable, if it's organic it is highly possible. The need is out there for organic. The best market for shelf-stable products is ground beef, but it would have to be 100% pure organic. I would need to know what is in the beef and exactly how the cows are raised and fed for me to know which product would be best in the market. I'm not sure what the best markets



for the meat are. The shipping and distribution costs would play a big factor. A lot is dependent on timing and the availability of the product.

025 There is no viable market because there are many alternatives available that would be direct competition at a lower price. Anything in convenient meal form would do well in the market. 8 ounce steaks wouldn't be good because it's kind of a turn-off. Consumers prefer fresh over frozen. Breakfast sausage/patties are better with pork. Costco or Sam's Club could market the roasts well; they would need to be made in a form to where the consumer just needs to stick it in a Crockpot to warm up. Stew(s) would be good to market to Alaskans. Slim-Jim/jerky and frozen hamburgers would be good because that category is already defined. I'm not sure about the premium percentage, you would have to parody to leading brands in terms of retail price – can't sell the same product for more. Instead of organic, it's better to go "all natural" because of the cost associated with organic. The best markets are club/warehouses like Sam's Club, Costco, and BJ's. I would survey the consumer instead of the industry to see what they want. Quantify the market and have the cost figured out. Is there something unique about the meat? What makes it better? You can't just say its "Alaska Beef" there has to be something more to it.

026 I'm not sure what the market would be for this, it depends on the exact product – this is a very broad question. I don't do shelf products, so I have no idea what products are best. Why concentrate on shelf-stable products if you have good quality beef? Think about packaging to people who do process meats. That's what I would do.

027 You should call "Tree of Life" and "Gourmet Award," they are both specialty non-mainstream natural food distributors. Your best market would be frozen, diced meat in small chunks used in making soups with larger chunks used for stew meat. This product could also be dehydrated. Market through specialty distributors I listed above. Call those guys and ask them what they think.



028 Hormone free/organic is very popular now. Grind (frozen patties at 90% lean or more) could sell on the west coast market. The alternative to the west coast would be chilled boxes of boneless product shipped to grinders, again, 90% lean or better. I'm not excited about shelf-stable, but boneless boxed to grinders would work. I see no premium. The only geographical market I see is the west coast. You would be well served to thoroughly check out the economics before commencing any production. About \$1.35 is the price per pound for 90% lean from over-seas. If you're competing as a commodity product, the market is grim.

029 My concern is the processing from the very beginning. I have had experience rounding up wild deer in New Zealand to put them into commercial operation, as well as working with a group up in Nunavut (extreme north of Canada) rounding up reindeer. There is a ghastly expense in rounding up wild animals that you may not be contemplating. If these animals have been feral on an island for years, the cost of capturing them is going to be astronomical as compared with rounding up domestic (tamer) livestock. That is an expense factor that should be considered. If you must go with shelf-stable product, jerky would be best. You can use the entire animal (just grind up everything). These wild cows will be lean and tough, and jerky would work well. Jerky will bring a better price per pound than Slim-Jim type sausage sticks. Slim-Jim type is the meat you don't want to think about. As a grinder myself, I would recommend selling boxed beef. Is this to be a sustainable operation or an eradication program? That's very important because if you're eradicating the animals, how you dispose of and recover value from your used plant and equipment when the last animal is killed? The salvage value and wind down expenses would be a major financial consideration. We considered obliterating the reindeer in Nunavut and had to consider the disposal costs.

030 We are a niche market sausage maker/producer. There are quality and pricing issues with organic product compared to a natural product. The organic market is located primarily on the west coast. The organic market is very, very small in the Midwest. Natural is a better market to enter than organic, but natural beef competes with grass fed product from South America and other overseas sources which is very much lower priced. Alaska would need to differentiate itself, branding as a special source identity product, and Costco is the best and



biggest marketer of grass fed beef. I don't see shelf stable as the best way to sell Alaska beef. You have to stress the "pristine environment." Look at the marketing programs of Newman's Beef or Harris beef (the two largest US producers to the high end natural market). You would have to compete more with them rather than the bulk producers overseas. Beef breakfast sausage is salable in Canada, but not the US. The US eats mainly pork breakfast patties. Hamburger patties have a market for frozen only. Canned hamburger patty market has dedined to a point where it is almost extinct. Jerky and sausage sticks (Slim-Jim) would be best marketed through convenience stores, might consider selling directly to the larger, national convenience store chains. West Coast is the best place to market all of these shelf-stable, except the kosher product which is more East Coast. Costco's sales of natural beef and the food service market have both been hurt by the economic down turn, but these would be your best channels of distribution. Costco is the largest dealer of natural beef to retail. Foodservice market would be your second best shot. The key is quality. What would be the taste and presentation of the specialty product to the buyers? I would suggest looking to the natural sausage market as it is a small enough niche market where you could develop a brand identity stressing the source at a reasonable cost with your small volume.

Q31 I am a producer of chili only. Our firm primarily processes boned 60lb boxes of fresh beef. But can, and on occasion, have processed frozen beef from both overseas and domestic sources. For our operation we prefer fresh. We would never use canned or dehydrated beef in our operation. The best market is the food service industry pre-packaged products sold to restaurants and institutional markets. Cheap, lower grade beef has a market for feeding military, prisoners, mental hospitals, and schools. Pricing of product versus the cost of product is the critical key as generally natural beef is not as flavorful or as tender as grain fed.

Q32 We only do fresh beef. We don't deal with shelf-stable. Marketing is the issue. You must get a premium because you can't compete with the commodity producers, i.e. the low-cost, foreign bulk producers. There is no premium I can think of at this time as the down turn in the economy has radically and disproportionately reduced or eliminated the premium applicable to both "natural" and "organic" premium markets. You must hook-up with a major retailer, e.g.



Wal-Mart or Costco. I just don't see this being profitable now or in the near future due to the economy depressing meat margins and prices. Something to consider is the "certified source" school lunch program. When you're selling to schools there are rules that it has to be "source verified" beef sold to kids; the beef has to come from US producers.

033 Yes there is a viable market but it must be sold as fresh chilled rather than frozen, canned etc, in order to get a premium. The other products would be at the lower price market. In the U.S. there is no market for canned products. Canned product goes to the very lowest margin. Fresh chilled beef can remain in cold storage for up to two months if packaged correctly. For low margin goods we cannot compete at all with the high volume producers, such as Uruguay, Paraguay, and Australia. As far as shelf stable products none would be marketable. To distribute through grocery chains move through EEL Organic Beef. Of all the steak restaurants in Seattle, there is only one that provides natural or organic steaks. No premium would also apply coming from Alaska, for stew, chipped beef stew they are coming the low end margin of the market. If you did want to develop a market for the stew, the vegetables as well as the meat would have to be organic in order for it to be certified. These would be products that would be sold through specialty producers like Whole Foods and Wild Oats. If you are serious about a Slim Jim type sausage market, look into OhBerto, they know more about that kind of product. The only way to develop a premium niche is going to cost a large sum of money. Best market would be the West Coast, high population plus less cost for shipment. You could ship by truck or barge, but you would probably be better shipping by boat due to time. You want to go with the surest, safest way to move the beef. Another possible market for the low end products would be in Vladivostok, because they do not produce a meaningful amount of beef. I would not put my own money into this project.

034 (SCHOOL DISTRICT) A viable market would be pre-formed frozen patties. I do not recommend organic beef because the market is deathly slow and is very low volume. There is much more demand for non-organic beef. I have no knowledge as to what premium might be attainable. I'm personally not interested in purchasing fresh chilled "bone beef". You should sell



in generic bulk to the West Coast; you are not trying to niche market this, just moving it at a commodity price.

035 "Cattle is Cattle" there is not anything more special about Alaska beef. This would not be a niche product without an extensive (size), long duration (time), and quite expensive campaign; that would be necessary to establish a brand. Alaska cost would make competing as a commodity product very difficult to be profitable or break even. There is no market for shelf-stable beef products. It costs too much to have your product certified organic via the advantage of doing so. Extensive documentation is required to obtain certification both under U.S and Canadian certification programs, but the two programs are not identical. Generic canned beef through the USDA programs to assist food banks might be a way of getting rid of your lesser cuts. Also, USDA programs for schools might be served through frozen "boned beef". Probably it would make more sense just to grind it all. Find a way to market in Alaska, your shipping costs would be eliminated or cut down to a low cost. You could also sell to Vladivostok or through Murmansk. In both instances ship them frozen "boned" bulk, do not go with the fancy cuts. Far too expensive to establish a branded identity; the meat market is very badly depressed now because of the economy in the U.S., so it is bad timing to develop a niche market.

036 (SCHOOL DISTRICT) There could be a viable market; canned products would be the best route to take. The shelf-stable product I think is best is the beef stew because it is a good meal for kids to have on a cold Alaskan day. The best place to market these kinds of products is through school districts, correctional facilities, residential sites and retirement homes. I would proceed if everything were handled by a certified processor USDA world wide. Also, GNA (Child Nutrition Label) regulations should be followed.

037 (SCHOOL DISTRICT) Yes, there is a viable market. Our main product we receive is frozen ground beef in bulk of 10lb rolls. We do not purchase any canned meats. You should check into the school district and correctional facilities as places to distribute your product. It is



best to go with organic. CNA label must be on it in order for the schools to purchase any product. People in Alaska might be willing to pay more for higher quality Alaskan products.

038 (SCHOOL DISTRICT) There is a viable market but you need to get the Education Department on board for commodity. A frozen burger, fresh New York or Prime Rib, or a beef crumbled product would be a good idea. I don't know if the product would be better fresh or frozen. The best market for the school district would be fresh Alaska beef, and in the summer time a 'Surf & Turf' novelty item for the tourists. Try asking the Alaska School Nutrition Association (AKSNA.org) and see what they think about the viability.

039 (SCHOOL DISTRICT) A viable market would be a ground beef frozen in either 40 lb bulk or four 10 lb packs. Frozen hamburger patties would also work in 80 count packs. I can't think of shelf-stable beef products that there would be a market for. In Alaska the kids go on a lot of hiking trips, if the camping and hiking meals were available they might consider pre-purchasing those meals. The best markets for these products would be the school districts, senior citizen and retirement homes, and maybe restaurants. I would want to proceed with this if I were in charge.

040 The shipping costs would be less expensive for products in state. The best shelf stable product would be burgers, and they would be easy to sell. If you are going to butcher the cow then you should use the whole thing. I would prefer to market beef patties because they are easier to sell. The percentage premium on these types of products would depend on the product and how it is raised. It makes sense to move a lot of wholesale as opposed to market it to the consumer. Humane treatment of the animals is very important, also it would be important that people know the product is from Alaska. The financial details would decide if people would go through with marketing the product.

041 (SCHOOL DISTRICT) A shelf-stable Alaska beef market could exist for some outlets more than others, but not for schools. The best market would probably be for steak, because the price is higher. I would try to market steaks if you are going to pay more, also the Slim Jim



types of products would work for tourists. I'm not sure what the best market for these types of products would be.

042 There would be a market as long as they used pre-cooked meat products. I think the best product to market would be the breakaway type of meat in 4-6oz packets, like the kind that are used for Philly type sandwiches. I would try to market all types of meat, as long as they were all pre-cooked. The premium would be alright as long as the price could match the weight loss of the pre-cooking; it is hard to say otherwise. It would be best to distribute the best selling shelf stable item to the US Military and any other organizations that does volume type business. I think that all of the research should be done by the distributors, not the public. Price sells. They would have a better quality in grazed meat.

043 (SCHOOL DISTRICT) I primarily handle frozen ground bulk beef and take the USDA grade beef and run it through a grinder and distribute to the schools. Frozen ground beef and frozen stew meat would be the best market to get into and distribute to institutional facilities, such as schools and correctional facilities. This is wild tough meat, use it where you can. Ground meat is what the school lunch programs buy the most of. No advice on the viability of shelf-stable products. You need to think about the cost competitiveness, but you have to meet the standards of selling to the school lunch program.

044 (SCHOOL DISTRICT) We purchase mainly frozen ground beef, some other cuts as well but it is a minor percentage. There is no market for shelf-stable beef except for frozen ground beef. We bulk in ground beef and pre-formed hamburger patties. I would prefer the patties because they are pre-formed, which saves time and effort. Our criteria is that we buy the cheapest product at the cheapest price, our only restriction is that it has to fall within the guidelines of the Alaska State Department of Education in Juneau and must be USDA slaughtered and meet CCA standards as to what we can serve to school kids.

045 (SCHOOL DISTRICT) We buy both pre-formed hamburger patties and bulk ground beef. All of the meat is frozen, but the bulk ground beef is what predominates our purchases. We buy



some teriyaki dippers; this is a breaded beef strip product with a soy based teriyaki seasoning, which the kids love. We also get Philly Cheese Steaks, frozen meatballs and we prepare some Salisbury steaks. The USDA food distribution program supplies us with the beef and we also buy on the open market from commercial jobbers. When we have ground beef sausage, it is half beef and half pork. You should market your product through the USDA program because that is where we get the bulk of our products from. The cost of the product is the number one concern; the taste, texture and toughness are not a significant factor.

046 (SCHOOL DISTRICT) We use both pre-formed patties and bulk frozen ground beef, also sliced roast beef for sandwiches and stew meat. All of the meat products that we get are frozen, but the stew meat could be canned or frozen. The sliced roast beef that we use is deli prepped when we get it. We would be willing to try the ground beef sausage because we have not used it before. There is no advice I can give on the viability of the market.