

Marketing of Meat Goats

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Introduction

Meat goat production is one of the oldest and the most widespread of animal enterprises in the world. At this point, it is the fastest-growing animal enterprise in the U.S. The economics of goat production is important to most people who raise goats, thus marketing is a major concern for most producers. The price of market animals dictates what can be spent on the practices associated with their production.

Most producers will not tolerate a nonpaying hobby operation. The enterprise must sooner or later become a paying operation, or it will cease to exist. A producer who cannot successfully market what he/she grows will not be in business for an extended period of time. A few people keep goats as pets and companion animals; however, the economics of goat production is such that most producers sell the animals, either for meat or for breeding purposes.

Some type of marketing plan is a necessity. It can be as simple as setting up a breeding plan to meet market demands, including places and types of customers. A good marketing plan is a complete description of how to get your product on the ground and off to market. Parts of the plan become templates and schedules for specific

management activities and practices in the years to follow.

Most goats, regardless of the initial use, eventually end up in the meat market cycle. The meat market itself consists of all ages and types of animals. The amount a producer receives for a market animal depends on several factors including, but not limited to, the following: breed, size, age, sex, body condition and/or state of health.

Marketing

The first question most producers ask is "What do I charge for my animals or my product?" Getting the price structure correct for your business is the most effective marketing tool you have. The price you get for your goats will vary with the type of goats you sell and the methods used to market the goats.

Marketing initially is split into two phases: on-farm and off-farm. Both phases usually consist of selling



Figure 1. Various breeds and sizes of goats serve the meat market.

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Figure 2. Young sheep or goats may be used as Easter kids, up to 40 pounds of weight.



Figure 4. Extra feeding of grain to young goats can increase their rate of gain.



Figure 3. Nursing kids may be sold as Easter kids.



Figure 5. Older goats usually also are marketed for meat.

by the head as is done with most other meat animals. Certain markets sell only graded animals. The meat markets for goats consist of different types and ages of animals (Figure 1). Some are listed below.

- **Easter Kids** – This is a seasonal, usually ethnic, market. Goats should not be disbudded or castrated. Dam-raised animals are preferred, weighing from 16 to 40 pounds (Figures 2 and 3). Prices paid for these animals vary by year; however, traditionally, prices for Easter kids have averaged well above routine market prices, depending on size and condition of the animal.
- **Cabrito** – Cabrito is the meat of a milk-raised kid, usually 25 to 40 pounds in size, generally not castrated or disbudded (Figures 3 and 4). Presently, prices range from 70 cents to \$1.40 per pound or more. As with other animals, price is usually determined by quality and demand.
- **Chevon** – Chevon is the meat from goats of any size and age, and the definition varies. Often,

chevon is from a goat over 60 pounds and under two years of age. Bucks and does of older age are also used as chevon and generally bring less per pound (Figure 5), with condition of the goat having a significant effect on the price. According to the American Meat Goat Association, chevon may be from goats that are 48 to 60 pounds and six to nine months of age.

The price of market goats often is higher prior to major ethnic holidays (see Table 1). If you plan to market goats at these times, the breeding season must be planned accordingly. For example, if you market kids at four to five months of age, then the does must be bred nine to ten months prior to the time of marketing.

Auctions Versus On-Farm Marketing

Goats may be sold individually to consumers on-farm or transported to auctions in the state or nearby states or to slaughter facilities, usually

Table 1. Ethnic Holiday Calendar, 2012-2014

Holiday	2012	2013	2014
Eid ul-Adha/Festival of Sacrifice	October 26	October 15	October 4
Muharram/Islamic New Year	November 15	November 4	October 25
Mawlid al-Nabi/Prophet's Birthday	February 4	January 24	January 13
Start of Ramadan/Month of Fasting	July 20	July 9	June 28
Eid ul-Fitr/Festival of Fast Breaking	August 19	August 8	July 29
Passover/Pesach	April 7-14	March 26-April 1	March 15-22
Rosh Hashanah	September 17-18	September 5-6	September 24-25
Chanukkah	December 9-16	November 28-December 5	December 17-24
Western Roman Easter	April 8	March 31	April 20
Eastern Orthodox Easter	April 15	May 5	April 20
Christmas	December 25		

outside the state. One advantage of auctions is that little effort is required in finding a buyer. Auctions usually have to be bonded, thus guaranteeing a producer prompt and reliable payment. The disadvantage is that there is little or no control over the price you will accept for your animals. This can result in a financially risky exchange. However, there are a few steps a producer can take to either make the venture less potentially risky or use to make contact with future direct buyers.

If you have more than one auction within reasonable driving distance, contact several to find the most recent prices and if buyers are expected to be there when your animals are sold. This contact allows you to compare their projections on market demand, when prices will be highest and also determine who is most enthusiastic about getting your business. It is acceptable to ask for an estimate of how many goat buyers and what price range the auctions expect.

To minimize risk, producers can seek out larger regional auctions that are supported by numerous buyers. However, this larger market may require additional travel. Several large auctions have average prices publicized on the web or in various marketing publications, making it easier to track price trends compared to smaller local markets. Two good web sites for goat auctions are <http://www.ams.usda.gov/lsmnpubs/gauction.htm> and www.gipsa.usda.gov/. The first web site is for the Agricultural Marketing Service - Market News. It provides market prices for sales. The second one provides a list of bonded markets by state.

Extremely fat goats may be penalized because fat is viewed as waste. The standard Boer buck in show condition would be considered extremely fat as would many dairy does at the end of lactation. Does that look possibly pregnant also may be penalized by some buyers. Suckling kids usually can be fat without any penalty. However, it is critical that goats for sale be in good condition or the price will be decreased, sometimes markedly, if the goats don't appear to be healthy.

There are several consignment sales that can be successfully utilized in marketing. Consignment sales are usually auctions where people are asked or invited to sell their goats. Consignment sales vary in the amount charged for selling animals, so it is necessary to understand the fees and policies before consigning animals. Consignment sales tend to be more for breeding stock, but the quality at these sales can vary greatly. Usually, the selling costs are greater at a consignment sale than at an auction barn.

On-farm sales eliminate the sales commission and the risks and costs associated with transportation. The primary disadvantage is that the producer assumes all of the risks associated with marketing, and the sale can be time consuming. It also is often necessary to negotiate the price with prospective buyers. Local ethnic markets can be utilized for on-farm sales. Bargaining or negotiating for prices often also can be a factor on the farm; some love to bargain, others do not.

When selling at an auction or consignment sale, consider the shrink of the goat. *Shrink* is a term used to describe the loss of weight associated with the

handling, transporting and marketing of livestock. It is usually estimated based on animal weights and can be from 4 to 10 percent of the live weight of the goat.

Private Treaty Sales

Private treaty sales are usually between individuals for a single goat or many goats. These sales may be conducted anywhere, either with animals present or not. There is no sales commission. However, you need to understand the terms of the sale, especially pertaining to guarantees, time to exchange money and animals, location of exchange, price of animals, what the price is based on (weight, dressing percentage, etc.) and effects of delayed exchanges. Buyers need to be reputable. **Cash is often required in private treaty sales if the buyer is not known.**

Some producers with very stylish and meaty animals may sell goats to youth for the market wether project. Generally, these sales are as a private treaty or at auctions.

Breeding Stock

The sale of individual animals as breeding (Figure 6) or show stock can be the most profitable if good animals are selected initially and quality is maintained. Generally, breeding and show animals sell for more money than animals sold at livestock markets. Usually, these sales will be by private treaty or at consignment sales and may include advertising costs.



Figure 6. Good breeding animals are essential to a goat enterprise.

Value-Added Marketing

Value-added marketing is selling meat and other products from goats. The use of value-added marketing, either on-farm or off-farm, should not be

overlooked in the marketing plan. A producer can double or triple the value of an animal by on-farm processing and add to profits by producing other products, such as hides and horns. However, additional time is required for value-added marketing. Again, it is important to deal with reputable buyers to ensure prompt and reliable payment for the products. Off-farm sales may be at a local grocery and/or in conjunction with other producers. As with goats, Internet sales or sales through personal contact may be additional options.

Producing and Processing for Quality and Consistency

Regardless of product or marketing outlet, developing a sales base depends on being able to deliver a consistent product. While there may be more tolerance for slight inconsistencies among consumers who have developed a relationship with the producer, consistency is cited over and over as a key factor in sales to restaurants, stores and other non-consumer direct outlets. Consistent quality begins at the production level with selection of the right breeds of livestock for your markets.

Any meat industry benefits from a clear-cut understanding between buyer and producer of the quality of the animal being sold. The USDA Agricultural Marketing Service Grading and Standardization Branch has adopted Institutional Meat Purchase Specifications for goat. Their live animal classification criteria are as follows:

Selection Criteria

The IMPS selection criteria for live goats and carcasses are based on consideration of conformation (muscling). Selection No. 1 goats or carcasses have a high proportion (by weight) of meat to bone. Selection No. 3 goats and carcasses have a low ration of meat to bone.

- a) **Selection No. 1** – Selection No. 1 live goats and/or carcasses have a superior meat type conformation without regard to the presence of fat cover. They shall be thickly muscled throughout the body as indicated by a pronounced (bulging) outside leg, a full (rounded) back strip and a moderately thick outside shoulder.
- b) **Selection No. 2** – Selection No. 2 live goats and/or carcasses have an average meat type conformation without regard to the presence of fat cover. They shall be moderately muscled throughout the body as indicated by a slightly thick and slightly pronounced outside leg, a slightly full (flat or slightly shallow) back strip and a slightly thick to slightly thin outside shoulder.

c) **Selection No. 3** – Selection No. 3 live goats and/or carcasses have an inferior meat type conformation without regard to the presence of fat

cover. The legs, back and shoulders are narrow in relation with its length and they have a very angular and sunken appearance.



Selection No. 1 (Source: USDA Marketing Service Grading and Standardization Branch)



Selection No. 2 (Source: USDA Marketing Service Grading and Standardization Branch)



Selection No. 3 (Source: USDA Marketing Service Grading and Standardization Branch)

Goat Marketing – Dressing Percentages of Slaughtered Carcass

Factors that influence dressing percentage include, but are not limited to, gut fill and carcass fat. Although dressing percentage is extremely important to the packer who purchases live animals, it is not a very good indicator of the value of the potential carcass. Higher dressing percentages on sheep are often a result of much fatter carcasses. This is less true for goats unless they are excessively fat. This is because goats carry the bulk of their fat internally, and this internal fat drops out with the gut and internal organs when slaughtered.

Goats – Hide Off/Head On (60-120 lb live) 46% to 52%
Kid Goats – Hide On/Head On 65% to 72%
Kid Goats – Hide Off/Head On 55% to 58%

These percentages are based on averages. They are helpful tools that you can use to calculate what the live cost will be when the animals are sold on a dress weight basis. The percentage yields will vary according to the condition of the animal, its breed, bone structure, lean content, fat ratio, etc.

Factors Affecting Dressing Percentage

Dressing percentages [calculated as (hot carcass weight/liveweight) * 100] can vary widely for goat kids from about 35 to 55 percent, with 45 percent being average. Kids with higher fat scores generally have higher dressing percentages than kids of the same live weight with lower fat scores.

Dressing percentage is affected by:

- **Live weight**
- **Fat** – An increase in one fat score will increase dressing percentage by about 2.5 percent; fatter kids also suffer less live weight and carcass weight loss from fasting prior to slaughter than do leaner kids.

- **Time off feed and water** – This affects gut fill and therefore live weight. Live weight percentage losses average 2, 2.5, 3, 4, 5, 7, 10 and 12 percent for goats off feed 2, 4, 6, 8, 12, 24, 48 and 72 hours, respectively. Goats coming off lush pastures will generally have a higher dressing percentage than goats on drier feeds if live weight is calculated only a short time after animals are off feed because lush feed passes through the gut faster.
- **Shrink and stress** – This affects dressing percentage because of its influence on gut fill and carcass weight loss. If animals are deprived of feed for 6 or more hours, carcass weight will start to decrease and dressing percentage will actually drop even though the goat's live weight is also decreasing. Carcass weight loss is 2-2.5 percent, 3-4 percent and 6-7 percent after a 12-, 24-, 48-hour fast, respectively. Deprivation of water results in another 2 percent loss in carcass weight.
- **Sex** – Doe kids tend to be slightly fatter than buck kids of the same weight in the same herd. However, this difference is so slight it rarely affects dressing percentage noticeably.
- **Weaning** – Weaned kids tend to have a lower dressing percentage than suckling kids of similar fatness and live weight.

Summary

Goats can be marketed in many ways. The most common methods of marketing are through livestock auction markets, private buyers, consignment sales and on-farm sales. Methods of marketing will vary in sales costs and effort for the producer. Other methods of marketing include local grocery stores, Internet sales and personal contacts. The most important considerations for effective marketing are quality and consistency of products.