

Assessing the Market for Chevron (Goat Meat) in Siouxland

Introduction

U.S. demand for goat meat outstrips supply, many immigrants favor it, and goats thrive in Iowa. Goats produce high quality meat, and over half of the red meat consumed worldwide is purported to be goat. However, chevon remains a rarity in the typical American diet.

This report is based on research conducted in 2005 and 2006 under the sponsorship of the Leopold Center for Sustainable Agriculture. The purpose of this research was to characterize demand and to identify barriers to and strategies for increasing the processing and marketing of chevon in Siouxland.

Chevon is an English word, an American hybridization of the French words for goat (chevre) and mutton (mouton).

Siouxland, dominated by the greater metropolitan area of Sioux City in Woodbury County, extends into Dakota County, Nebraska, and Union County, South Dakota. We studied this three-state urban area because of growing support for local food systems there, a complementary project in the Loess Hills, and a growing immigrant population.

According to the 2000 U.S. Census, Woodbury County had the second largest percentage of Latino residents in Iowa (nine percent), after Polk County; about 2,000 Asian immigrants; and a few dozen Muslim families. The populations of Dakota and Union counties, both smaller than Woodbury, had smaller numbers of Asian and Latin immigrants.

We studied the preference of Latino, Muslim, and Southeast Asian consumers based on anecdotal

evidence of the popularity of goat meat in the diets of these pan-ethnic groups of immigrants.

Methods

Our sample was intentional. The exploratory nature of our research, the small percentage of immigrants relative to the total population, and the difficulty of obtaining addresses rendered the drawing of a statistical sample impractical. We further narrowed the groupings for practical reasons. As some immigrants congregate because of religion, two churches and a mosque provided us trusting access, and a gathering place for focus groups. This explains the juxtaposition of ethnic, national, and religious categories for which we report our results.

- **Latino** (or Hispanic) – mostly from Mexico and mostly Catholic;
- **Muslim** – people of the Muslim faith primarily from Pakistan and India; and
- **Southeast Asian** – from Laos, Vietnam, and Cambodia, and mostly Christian.





Hannah training survey interpreter/ enumerator at international food festival.



Latino focus group and meal at Catholic church.



Community meal at Islamic Center in South Sioux City featuring goat meat.

We used multiple data gathering methods:

- **Surveys** at three public venues: a citywide Cinco de Mayo celebration, an international food festival hosted by a Catholic church, and the Floyd Boulevard Market. We initially screened survey takers by asking, Do you eat goat meat? As only the rare Anglo had ever tried it, in subsequent venues we limited our queries to Latinos and Asians. We translated our questionnaire into Spanish and drew upon a college student who speaks Vietnamese to assist the Asian surveys takers. Focus group participants also completed the survey. We gathered 81 questionnaires: 40 from Latinos (62% male), 27 from Asians (74% male), and 14 from Muslims (all male).
- **Focus groups interviews** with Southeast Asians at a Lutheran church, Latinos at a Catholic Church, and Indian and Pakistani Muslims at a mosque. Each focus group incorporated a meal featuring goat meat, typical of regional cuisines. Hannah Lewis conducted the Latino focus group in Spanish, with help from a Guatemalan participant, and the Asian group in English with the interpretation assistance of a multilingual Laotian minister. The Muslim group was fluent in English and did not require interpretation.
- **Personal interviews** of meat processors, grocer/retailers, wholesalers/distributors, and restaurant and café managers. Most of these interviews were face-to-face, but a few were conducted by telephone. We also conducted a case study of an Iowa goat farmer residing in Siouxland. We selected him for in-depth study based on his knowledge and success at production and marketing.

Results: Consumer preferences

The eating patterns of the Latino (mostly Mexican) respondents were oriented toward festivities such as birthdays, parties and religious holidays and events. Latinos were more likely to purchase directly from farms than from grocery stores. Many preferred live goats to process themselves because, in addition to guaranteeing freshness and a better price, they could purchase the entire carcass for roasting whole, or to custom cut to specification. Younger animals were especially preferred.

The Muslim respondents, mostly from India and Pakistan, would eat goat meat nearly everyday if it were available and affordable (around \$3/pound or less). Muslim consumers preferred the convenience of processed meat, but on some religious occasions want to slaughter an animal. Muslims prefer meat that is fresh, hormone-free and Halal. Halal is a Muslim prescribed manner of slaughter involving prayer.

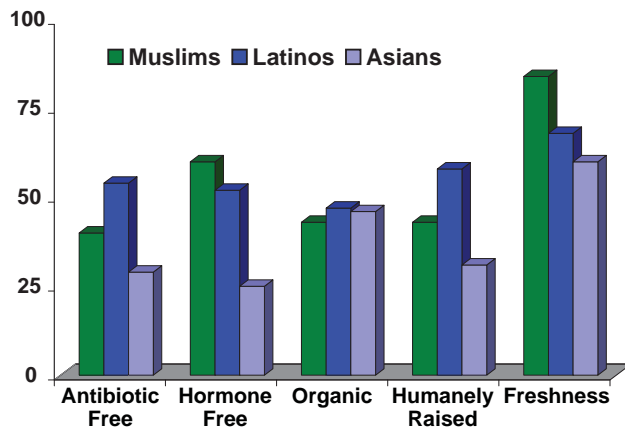
Southeast Asian respondents, mostly from Laos, Cambodia and Vietnam, consumed goat meat least frequently of the three groups studied. Goat is uncommon and expensive in their countries of origin. Given availability and price ranges similar to other meats, they would be as likely to eat goat as other meats. Demand tends to be spread throughout the year.



Hannah facilitating Southeast Asian focus group.

Preferences for selected attributes across the three groups show the importance of freshness (instead of stored, frozen meat). Respondents also expressed interest in humanely-raised chevon, as well as that which is organic and free of antibiotics and hormones.

Selected Attributes: Percentage Who “Care a Lot”



Results: Supply chain

The supply chain consists of retailers (groceries and restaurants), wholesalers, processors and producers. A handful of ethnic foods **grocery stores** in South Sioux City carried frozen imported goat

meat. No place carries fresh goat meat because it didn't sell fast enough. One meat case manager referred customers wanting fresh goat meat to local farms. We also identified a few **restaurants** that served goat meat or had done so in the recent past.

The owner of a Mexican restaurant/grocery store in South Sioux City expressed interest in stocking goat in his fresh meat case after installing a walk-in cooler to accommodate higher inventory. He was emphatic about the value and superiority of fresh meat, and believed he could sell fresh goat meat easily if he advertised; what didn't sell could be cooked in the restaurant. If this store could manage the requirements for Halal meat, it could attract Muslim as well as Latino customers.



Adam Cardenas of Puerto Vallarta restaurant serving birria, a popular Mexican dish often made with Chevon.

A family-owned Sioux City **meat wholesaler** distributed to local Latino grocery stores and a few restaurants in Denison and Storm Lake. This wholesaler was selling imported goat carcasses weighing 20 to 25 pounds, at a rate of about 50 carcasses per month. It bought at \$2 to \$2.50 per pound and resold at a slim margin for \$2.50 to \$2.60. Goat meat was supplied mainly for customer convenience, to ensure the continued patronage of beef and pork buyers. The owner would carry fresh or locally raised goat meat if requested.



A USDA Halal lamb processing plant, 45 miles north of Sioux City, was shipping 100 to 200 fresh, locally raised goat carcasses per month at \$3 per

pound to buyers in Minneapolis and Chicago who favored domestically produced meat (because it is fresh, not frozen) and lean carcasses weighing 25 pounds or less. The plant could double the sale of fresh, locally produced goat meat by pursuing markets in New York City and Los Angeles, but to meet the demand of national buyers would have required an increased, consistent supply of market-ready kids through the year from local farmers – meaning year-round kidding. The plant would also benefit from a market for offal and pelts.

A custom locker 40 miles north of Sioux City custom processes hogs, steer, deer and lambs for local farmers and hunters, and the occasional goat. The Mexican owner has processed Halal goats, and is open to facilitating further Halal slaughter, even getting official state-inspection if increased volume would support the investment.



There are several goat farmers in Siouxland. We conducted a case study of a **producer** in northwest Iowa who was successfully marketing large numbers of goats, primarily out of state. We will refer to him by pseudonym, as Orin, in accordance with the provisions of ISU’s Institutional Review Board for the protection of human subjects in research.

Orin farms in partnership with two sons. He transitioned from hogs to goats in 2000, upon the urging of one son, a livestock hauler. Orin’s hog business was at the point of needing major upgrades to keep pace with the industry in the confinement era – when he heard about goats. He was able to utilize depreciated hog facilities by converting them into

a feedlot and kidding barn for goats. He partners with his second son in this operation.

We interviewed Orin in July 2005 and conducted a brief



Orin and son spreading corn.

follow-up visit in August 2006. At the time of our initial visit, Orin had a Boer-Spanish goat herd, including about 1,300 does, some 60 bucks, and 500 replacement does to augment the herd and sell as breeding stock. He was building toward a herd of 1,500 does. By summer 2006, Orin had 3,000 goats and indicated that he had no plans to expand beyond this number.

Orin farms about 800 acres, on which he grows corn, soybeans, and alfalfa hay. The crops provide all the feed he needs for his goats. He feeds hay, corn, corn stover, and bean stubble. He aims at an annual production goal of five goats per doe by kidding year-round (three times over two years). His lifelong experience with beef, dairy, and hogs shines through. He does nearly all his own veterinary work. Because of the simplistic goat diet, the only source of nutrition purchased off-farm is mineral supplement. Orin estimates the profitability of selling one 40 pound meat goat equal to or greater than selling one 250 lb. market hog. The goat is ready for market three months sooner. Goats are cheap to feed compared with hogs: he estimates he spends five cents per head per day.

Orin prefers goats, marveling at how easy they are to work with compared to hogs and cattle. Their small size lends them to be easily-handled, and they are prolific mothers. With little fuss and a very short period of labor, goat can typically give birth to two or three kids, and quickly get back to munching hay. He’s also pleased with their intelligence – their ability to learn and remember how they ought to behave. *That’s why we expanded the way we did*, he said, referring back to his first 100 goats. *We just get along.*

Orin markets regionally, transporting a few hundred market-weight kids (60 lbs. or less) bi-weekly to processing plants, mostly out-of-state but occasionally to the nearby lamb plant, depending on prices and fuel costs. He recognizes the value of competition between two plants:

If you want to get market price, you got to have competitors. Your IBPs and your big

places, they dominate and you take what they give you. And that's probably the number one thing I like about goat—it's not a commodity. ... But it's just a matter of time before the goat will be a commodity.

Orin and a neighboring goat farmer, Ron, with whom he cooperates, are little inclined to increase production for this nearby plant in any case because perceived low prices and price volatility. Ron was frustrated about the low prices paid by this plant during the Muslim religious holiday of Ramadan, when he expected prices to rise.

Orin wants to diversify markets by marketing processed goat meat at volume to clients in Siouxland. If he could work out processing arrangements, and find time to devote to marketing, he could start with a buying club and expand into restaurants. A buying club, using the Siouxland Islamic Center as distribution center, would provide Orin and Ron with a pooled customer group that could order a regular consist shipment. These farmers, a USDA inspector, and a representative of the Islamic Center discussed a plan to deliver 50 goats every few weeks. Because of the limited number and geographic distribution and of lockers, especially USDA and/or state inspected lockers, Orin and Ron also considered building a simple slaughter facility on one of their farms.

Conclusion

The ability of Siouxland producers to capitalize on positive market signals has been hampered by a small and segmented consumer market, inadequate processing capacity, and a culture in which goat meat is a novelty, unfamiliar to most consumers. Strikingly few in Siouxland's majority population have eaten chevon, and the small market among immigrants is segmented by specific preferences as to goat age, seasonal use, cut, and slaughter practices. On-farm purchasing has satisfied some local demand, but other consumers, including some who purchase on farm, would prefer the convenience of purchasing chevon in a store.



The absence of fresh goat meat in retail outlets is a “catch 22” situation: more would eat goat meat if more readily available, but grocers who had stocked it reported slow turnover and subsequent spoilage or expiration in the freezer. Consumers and producers alike face a “missing middle” related to the availability, capacity and geographic distribution of processors. For consumers, the missing piece (falling between inexpensive frozen imports and whole animals) is fresh chevon in the meat case. For producers, the middle (consistent local processor) lies between direct marketing (on-farm or at off-farm venues such as farmers’ markets) and selling goats wholesale.



Strategies for developing the “missing middle”:

- Market through local farmers’ markets which attract people of all ethnicities. Chevon could be sold by vendors at the Floyd Boulevard Market or incorporated in the lunches served at the Floyd Market café, as long as the producers

could guarantee that they were meeting market standards of “values-added” agriculture, including the humane treatment of animals.

- Combine meat retailing with restaurant. This strategy, articulated by the owner of the combination Mexican grocery store/restaurant, makes possible stocking of fresh meat, and cooking the surplus to sell in the restaurant.
- Form buying club. We facilitated first steps toward an arrangement that would benefit Muslim consumers (by assuring a supply of fresh Halal goat meat) and two farmers needing to market a consistent, regular volume of animals (rather than direct marketing one or two at a time).
- Increase consumption among the majority population. Goat is little known or appreciated by the typical Iowan. Cabrito has long been popular in Texas and chevon is gaining favor on both coasts (Nathan 2005), and will likely gradually gain a foothold in the traditional Midwestern market, much as lamb has done in the last 20 years. In taste samplings in Alabama, Fraser (2004) found that most consumers readily sampled and liked the meat, but doubted their ability to prepare it. Emphasizing high quality and limited quantity by branding a product (e.g., “Siouxland Chevon”) might aid market development. Iowa’s Eden Natural Pork has gone this route in marketing Berkshire pork to high-end restaurants in Manhattan and the San Francisco Bay area. The nutritional qualities of chevon should also appeal to health conscious consumers.

References

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