

MMM&S Alternatives

December 1, 2005

Two primary dynamics have converged compelling the Division of Agriculture (Division) and Board of Agriculture (BAC) to offer MMM&S for sale. The trend for a number of years has been for fewer and fewer animals to be processed through MMM&S. This is due in part to two USDA slaughterhouse facilities that are now operating north of the Alaska Range. The other dynamic has been the continuing losses that have cost the State over 4 million dollars to date, much of which has come from the Agriculture Revolving Loan Fund. That trend is simply not sustainable.

Several groups have expressed concern about the closure. The Division and the BAC recognize these concerns and propose the following alternatives as options the industry could pursue.

Closing MMM&S is the first step in transitioning the industry into a private business model which will be able to meet the needs of tomorrow. The options outlined here are realistic alternatives that could establish a stable and long term meat industry in Alaska and in the Mat Su region. These alternatives will require hard work by the industry, support from the BAC, and the Division.

Purchase MMM&S

A farmer or a group of farmers could purchase and operate MMM&S.

Build New Facilities

A farmer or group of farmers could open a new business. Potentially funding for a new business, with a sustainable business plan could come from:

1. Commercial/Business Lender (financial institution)
2. Agriculture Revolving Loan Fund (ARLF)
3. State or Federal grant money

Mobile Slaughter Facility

A farmer or group of farmers could pool assets and purchase a mobile slaughter facility which could be USDA approved. Meat from a USDA certified mobile facility could be processed through an existing or new meat plant. Meat refrigerators may need to be purchased to age and hold the meat (or an existing business may choose to expand based on new market conditions).

Refrigeration Contact:

Alaska Container Cache **
276-0223

Estimated price, at 2005 figures, for 40 foot high cube insulated freezer (3 phase):
\$5,000 or \$8,500 delivered.

Mobile Slaughter Contact:

Lopez Community land Trust**
Island Grown Farmers Cooperative
Bruce Lopez at 360-468-4620
bruce@lopezislandfarm.com
www.lopezclt.org/sard/mpu.html

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Utilize Other Alaska Meat Plants

Two USDA slaughter and processing facilities besides MMM&S are currently available on the road system.

Meat Plant Contacts

Delta Meat and Sausage

895-4006

www.deltameat.com

B-Y Farms

488-7738

byfarms@acsalaska.net

Maximize Custom Exempt Sales

Farmers utilizing custom exempt sales can continue to utilize existing mobile slaughter facilities for private customers.

Modify Existing Mobile Slaughter Facility

An existing mobile slaughter service may upgrade its current facility to meet USDA standards and become certified.

Mobile Slaughter Business Contacts:

Livestock Handling Mobile Slaughter**

746-0704

Nate Hamelink or Brian Johnson

**Not necessarily the only contacts for these services.

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