

Elk Marketing

by Richard Spanton

The raising of elk is one of the most challenging business ventures that our family has ever entered into. After 3 years of attending seminars & auctions, I was ready to become an elk farmer! As with all of my great ideas and with great enthusiasm, we could not miss! Therefore, with that in mind we purchased our first animals in 2003. Now 7 years later we are still learning how to be elk farmers.

I will attempt to describe what we do at the Golden Bear Monarchs Elk Farm in marketing these great animals. We sell breeding stock, we sell hunt preserve animals, we sell meat, we sell the velvet, both raw & processed pill form, we sell hard antlers, we market our semen and we promote agri-tourism.

Breeding stock can be sold to both new farmers & to people looking to upgrade their genetics. So if you are thinking of selling breeding stock, record keeping, DNA testing, & registrations is very important. The focus in the past has been to produce the largest scoring bull possible, both typical and non-typical for the hunting market and the heaviest & best quality velvet antler for the velvet industry. This is still true today, but some elk farmers have had to move into the meat industry for one reason or another. Therefore, a very important key to breeding animals is to document their body size which can determine how soon a farmer can harvest these animals for slaughter. At GBM Elk we are moving toward the meat market because of our location in relation to CWD. The increased difficulty with other states accepting our animals has caused us to focus on the meat market. Just for reference, we are close to 400 lbs. hanging weight for our 3 year old females, and at that weight, we believe we can make our meat market profitable.

Most elk farmers are not in the position to own a hunting preserve, so we must market to hunt preserves either directly or by using a broker. We have sold animals directly and have also used a broker. Depending on the situation, each has been positive experiences for us. Obviously, the most profitable way is to find the hunter and a preserve you feel comfortable doing business with. You never know where your next prospective hunter can come from. Our son found a hunter after conversing with fellow dinner companions on a cruise!

Meat marketing has been one of the most enjoyable experiences raising elk. Selling our elk meat at the Farmers Markets has become very profitable. It gives us an avenue to sell our elk meat and also put us in contact with hundreds of new people every week. The recent media push to "Buy Local" has helped increase our sales. It has also helped educate the public regarding the healthy benefits of eating elk meat. The most profitable product at the markets is our snack sticks. Snack sticks sell at \$18 a pound, packaged in ½ pound packs. I wonder if it would be more profitable to convert all of the elk meat into snack sticks. But of course we need to sell all the different cuts of meat. If you are interested in discussing the types of meat products we produce at GBM, please give us a call. In addition to the farmers markets, you can market your meat to restaurants & grocery stores. Find a burger specialty restaurant, they love our lean meat. Sell off the farm, put together Christmas packages. Have the knuckles smoked & sell them for dog bones. We sell them at \$5 each. Sell the organ meat for dog food. There are many dog owners feeding their pets raw meat, and elk is a wonderful & healthy alternative meat. What I am trying to point out, is there are dozens of ways to sell elk meat products. And remember that knuckles & organs are not part of the hanging weight. So let's discuss hanging weight. A 400 lb. cow at a 70% return in meat would be around 280 lbs. of meat. If we average \$10 lb. at the farmers market, we would gross \$2800. If you decide to sell to restaurants, you will need to give them at least a 25% discount. Even at that price, your gross sales should be over \$2000. When we sell elk by the hanging half, we sell it at \$4.25 lb. and the customer pays for the cut fee. So at 400 lbs., a farmer should be able to make a nice profit. Now there are other costs to be considered, but this is a general idea of what a farmer can sell his meat products for. If you had a market for snack sticks & sold them at \$18 lb., the gross sales would return over \$5000! My point is that with a little marketing, and even without the high ticket sales of breeding stock or shooter animals, an elk farmer can profit. These prices are very attainable where we live. Farmers selling in the bigger cities are reaching 25 to 30% high goals at their farmers markets.

Anyone growing bulls has the ability to profit from the velvet market. Yes you Can! We all know that velvet prices have been very soft. But if the bull can produce just 10 lbs., he can pay for himself. Last season, velvet prices were only \$12 to \$15 a pound. That is not profitable. At GBM, we have our velvet processed into capsules under the

name Ultimate Velvet. We follow the average industry pricing. When we figure our price for the raw velvet, we average \$85 per pound. There are several people that will process your raw velvet & you can market your own pills. Again the Farmers Market is a great venue for gaining customers. At \$85 a pound, even a two year old bull can pay his own way. We figure it costs us \$300 a year to raise an elk.

There are many people advertising to purchase hard antler at prices \$2.50 to \$5 a pound. If anyone wants to sell their antler at \$2 per pound, please call me as I would buy all you have! We sell our sheds from \$250 and up. We sold a set close to 500 pounds for \$5000. Small spiker antler and broken antler can be sold to craft people. We sold around 200 lbs. this year for \$15 lb for crafts. Small two & three year old and regrowth antlers are cut up and sold as dog chews at \$25 lb. We have sold over 500 lbs. of dog chews since the start of the winter market. Some days at the winter market, we sell more dog chews than anything else. In the spring, we collect the buttons from the cut bulls. I have two different customers that take all I have to sell. Small buttons go for \$10 & the large go for \$20. Again, if there is someone wanting to sell them at \$2.50 lb, I am a buyer. With a little effort, instead of your antler taking up space in your barn, you may be able to make a buck or two.

There is still a market for top bull semen, but not too many elk farmers are AI, ing. If you have a really good bull, the opportunities are still there to sell semen. The great thing about semen is you can harvest a good bull and hold onto it until the market is profitable or use it yourself. Many elk farmers have benefited by swapping semen as well.

There is a demand for the public to see our critters. Do not be afraid to charge people for the opportunity to see this magnificent animal. We have opened our farm to young school kids, college age groups, church groups, and even the Elk Club. In closing, I hope that I have provided you with some tools which will help you realize a return on your animals & allow you to continue to enjoy raising these wonderful creatures!

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