

Expansion of Cattle Slaughter Capacity in the Southeast

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Introduction

Existing slaughter operations in the Southeast are making modifications to their business plans due to the changing dynamics of the beef industry. Also, several businesses have built or are building new beef processing facilities in the area.

Existing or renovated slaughter facilities

The short supply of cattle has required southeastern market cow and bull slaughter facilities to acquire cattle from a greater distance to maintain their existing slaughter capacity. Therefore, the area's two largest market cow and bull slaughter facilities, Central Beef Industries LLC and FPL Food LLC have either established or plan to establish a fed beef processing program. Additionally, Florida Beef, Inc. has purchased and is remodeling an older facility to target beef producers who are looking to market locally produced beef products or products from animals with specific production claims.

Central Beef Industries LLC, Center Hill, FL

Central Beef Industries LLC has expanded its facilities and plans to operate six days a week, slaughtering 250-300 fed cattle daily, with the remainder of their 650-800 daily slaughter being market cows and bulls. According to Mr. Marshall Chernin, owner of Central Beef LLC, the company plans to develop a branded fed beef product. Additionally, he feels that two commercial five-10,000 head commercial feedlots will be needed in north Florida to generate the cattle supply needed for this regional fed beef market. Mr. Chernin stated that the new coolers are operating and that some fed beef processing could start soon if animals could be sourced. Central Beef LLC can be contacted at (352) 793-3671.

FPL Food LLC, Augusta GA

FPL Food LLC is the largest market cow and bull processor in the southeastern U.S., with a daily slaughter capacity of near 1,000 cattle five

days a week. Since March 2011, 100-200 fed cattle sourced from the southeastern U.S. have been slaughtered one day each week. According to Dr. Randall Garrett, Chief Operating Officer of FPL Food LLC, the company would like to schedule and purchase cattle from any producer/feeder in the region which can produce at least two loads of fed cattle quarterly. Dr. Garrett emphasized the need for interested producers to have continuity and predictability when scheduling cattle with FPL Food. FPL Food LLC can be contacted at (706) 722-2694.

Florida Beef Inc. Alma, GA and Zolfo Springs, FL

Florida Beef Inc. has a daily slaughter capacity of approximately 250 market cows and bulls between their two facilities in Alma, GA and Zolfo Springs, FL. According to Mr. Clay Lee, owner of Florida Beef, Inc., the existing facilities will continue as-is and the business has recently purchased and is renovating a processing facility in Okeechobee, FL. The goal of this revamped facility will be to become an USDA-FSIS inspected facility to provide custom processing for producers or customers of locally produced beef or those who require special needs such as segregation related to USDA Organic. The Okeechobee facility should be operating within eighteen months. Florida Beef Inc. can be contacted at (863) 735-2233.

New or under construction facilities

Nettles Beef Processing, Lake City, FL

This operation has been providing USDA custom exempt processing since February 2011 and has slaughtered under USDA-FSIS inspection since August 2011. According to Mr. Billy Nettles, owner of Nettles Beef Processing, the company's primary function has been the custom processing, fabrication, and packaging of products from show steers from Florida county fairs. The operation has a daily beef slaughter capacity of

approximately 20 animals, but has cooler space for over 100 carcasses. Mr. Nettles would like to increase his slaughter numbers from niche marketers or those selling freezer beef, especially from May through December, when few Florida county fairs occur. Nettles Beef Processing can be contacted at (386) 752-2228.

Adena Springs Beef, Ocala, FL

This 61,000 square-foot facility is currently under construction in Marion County. Adena Springs is owned by Canadian businessman, Mr. Frank Stronach, who plans to develop an integrated all-grass-based beef production system. According to Mr. Rick Moyer, cattle manager at Adena Springs, the facility will be constructed to slaughter 150 grass-fed young steers and heifers two days a week and process carcasses into cuts the remaining three days. Adena Springs Beef can be contacted at (352) 867-0196.

This increase in cattle slaughter capacity will increase marketing options for Florida beef producers