Meat industry

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in cattle slaughter but has dropped from ninth ranking in hog slaughter.

In the Northeast, Pennsylvania is the dominant force in the meat packing industry. Pennsylvania plants slaughter 58 per cent of the cattle and 83 per cent of the hogs slaughtered in the Northeast. In the mid 1960s Pennsylvania slaughtered only 46 per cent of the cattle and 51 per cent of the hogs slaughtered in the Northeast.

Undoubtedly, a strong livestock production base and meat packers who have made the necessary changes to keep competitive with plants in the Midwest have been important factors in giving Pennsylvania an increasingly dominant position in the meat packing business in the Northeast.

Beyond meat packing

Meat packing combined with meat processing (meat processors are firms which manufacture meat products but are not involved in livestock slaughter) made up 17 per cent of Pennsylvania's food manufacturing industry in 1975. The value of production from these plants during the year was nearly $1.4 billion. Meat packers and processors rank second in food industry employment in Pennsylvania, with 10,800 employees, down a total of about 77 fewer workers from four years earlier. In 1975 these firms spent $10 million for capital improvements compared to $12 million spent four years earlier. This accounted for about 8 per cent of total capital expenditures by the food industry in Pennsylvania during 1975.

The processing segment of the Pennsylvania meat industry has been growing faster than livestock slaughtering operations. Output from meat packing plants grew 21 per cent in the 1960s while meat processing output grew 63 per cent. In the 1971-75 period, output from meat packing plants grew in dollar volume by 62 per cent while meat processing output grew 73 per cent. Meat processors produce special sausage products for local tastes and can take advantage of advertising programs to push the local name. In fresh meats it is difficult to brand-name the product; thus, local meat cannot be differentiated from meat shipped in from the Midwest. Shipments from meat processors in 1975 totaled $568.2 million compared to shipments from meat packers in Pennsylvania valued at $784.0 million. Meat processors accounted for 42 per cent of total meat shipments in Pennsylvania in 1975.

Processors of meat will be faced with a procurement problem in the next four to five years. Processing meat prices will be high because of growing consumer demand and a substantial shrinking in the supply of processing type beef. Meat processors and the fast food chains will be struggling to find sufficient supplies of local beef as well as increasing their dependency on imported processing beef.

Competition is intense in the meat packing and processing business as verified by the numerous bankruptcy sales listed regularly in trade publications. It seems no section of the country, no size of plant, no matter how long the plant has been operating or how well customers accept the firm's product make a meat firm immune from failure.

Generally, Pennsylvania meat plants are smaller than average as demonstrated by the fact that 10 per cent of the nation's federally inspected plants are located in the Commonwealth, and account for only 2.5 per cent of the cattle and 3.7 per cent of the hog slaughter. Iowa, on the other hand, has only one per cent of the nation's federally inspected meat plants but account for 11 per cent of the cattle and 24 per cent of the nation's hog slaughter.

Service and quality seem to be the big advantages which enable local packers and processors to compete effectively in local markets. More frequent deliveries, fresher product, products created specifically for local ethnic tastes, equipment rental programs, and favorable credit terms can be used to gain and hold customers.

Grassland elects freshman officers

The Grassland FFA Chapter from Garden Spot High School, New Holland, recently held elections for ninth grade officers. The following students were selected as officers for the 1978-79 school year. Standing left to right, Doug Martin, Sentinel; Rodger Weaver, Chaplain; David Mull, president; Mervin Zimmerman, vice president. Sitting left to right, Linford Martin, Treasurer; Dennis Weaver, Secretary; Dean Nolt, student advisor; and Sheila Eager, reporter.