

**Local Food Promotion Program (LFPP)
Final Performance Report**

Report Date Range:	October 1, 2015 – September 29, 2018
Authorized Representative Name:	Betty M. Mitchell
Authorized Representative Phone:	540-383-9415
Authorized Representative Email:	bettymitchell@htcnet.org
Recipient Organization Name:	The Highland Center
Project Title as Stated on Grant Agreement:	Marketing Meat from the Alleghany Highlands
Grant Agreement Number:	15-LFPP-VA-0107
Year Grant was Awarded:	2015
Project City/State:	Monterey/Virginia
Total Awarded Budget:	\$100,000

LFPP staff may contact you to follow up for long-term success stories. Who may we contact?

Same Authorized Representative listed above (check if applicable).

Different individual:

Name: Cornelia Granbery Hodges; email: corneliagranbery@gmail.com Phone: 615-476-8647

Name: Betty M. Mitchell; email: bettymitchell@htcnet.org; Phone: 540-383-9415

1. State the goals/objectives of your project as outlined in the grant narrative and/or approved by LFPP staff. For each item below, qualitatively discuss the progress made and indicate the impact on the community, if any.

- i. **Goal/Objective 1:** Assist livestock farmers in the Alleghany Highlands region to effectively promote their products and reach broader markets.

a. Progress Made:

Launch of Alleghany Meats Market.

The Alleghany Meats Market opened on May 15, 2017 and has supported 9 meat producers through a consignment program at the facility. The structure of the market enables a marketing opportunity for consumers to purchase products from several local meat producers in one location and provides a deeper look into the meat processing industry in general. The Alleghany Meats Market creates a low-risk environment for producers to test out new products and gain feedback directly from consumers. This encourages transparency and improves better communication to both the facility in the quality of processing, but also the farmer in the quality of the meat. The Alleghany Meats Market is open Monday-Friday, 9am-5pm and sells a variety of beef, lamb, and pork products.

Evolution of Faces of Farmers.

Faces of Farmers is a website and project of The Highland Center that communicates farmers' stories and connects consumers with local products. The effectiveness of promoting livestock products from the region to broader markets is greatly supported by a unified marketing message through an online resource that enables consumers to easily access detailed information on producers in the region and find out "where to get the goods."

Following an extensive survey of farmers in the region, a new version of the website launched in July 2018, with a new layout and design, as well as updated information. The new website has improved upon the user experience and is more interactive, with each farmer's page having an average of 8 links available for customers to click on including contact information, web-pages or Facebook pages, store or product locations, and more.

Taste of Highland - Event Featuring Local Meat

Taste of Highland is an annual event and fundraiser hosted by The Highland Center that showcases local producers and engages with regional stakeholders in the food system. During the lifetime of the grant in 2016 through 2018, the annual Taste of Highland event worked alongside LFPP personnel and promoted regional meat producers utilizing Alleghany Meats.

The 2018 Taste of Highland included products sourced from 23 local farms, as well as collaborations with 9 area chefs. The 2018 event featured 6 local meat producers, including lamb, pork, and beef. Each chef was paired with a local product and was encouraged to participate in menu planning. Visiting chef participants from outside of the community included Kind Roots Café from Lexington, Virginia and White's Wayside from Churchville, Virginia.

Farmers' Market at The Highland Center

The Highland Farmers' Market has served as an engine to strengthen the food economy of rural Virginia for 21 years, through direct to consumer sales opportunities. The market offers a community gathering place for producers and consumers to interact and exchange information, and it encourages the growth of new and existing agricultural-based, entrepreneurial businesses in a safe, low-risk setting. The 2016, 2017, and 2018 farmers' market seasons experienced incredible sales growth for local meat products.

During the 2018 season, shoppers have been able to purchase grass-fed beef, pasture-raised pork and pasture-raised lamb through 5 different vendors. The addition of 2 new producers of lamb and pork has been made available through a consignment market program, in which vendors pay a slightly higher commission rate to have their products stocked and sold by the market manager, without needing to physically vend at the market.

b. Impact on Community:

From May 2017 through the end of the grant in September 2018, the **Alleghany Meats Market** generated \$11,900 in meat sales revenue, and provided a new sales outlet for over 9 livestock producers in the region, with over 300 customers purchasing local meat.

Throughout the lifetime of the grant, **Faces of Farmers'** has hosted pages for 12 livestock producers in the 5 county region. The new Faces of Farmers' website features currently 6 meat producers and is preparing to add several more this fall. Google Analytics was launched on the site in September 2018 and will serve to determine detailed demographics and other user information to inform future marketing efforts for increasing traffic to the webpage.

During the grant, The Highland Center hosted three annual **Taste of Highland** events, and LFPP personnel coordinated showcasing menu items sourced from 8 regional meat producers. The 2018 Taste of Highland had 215 people in attendance, and following this event, one new restaurant contacted a local farm for purchasing meat products. The marketing campaign in 2018 reached 2,169 people through an online newsletter, 3,200 people through Facebook, and 832 visits to the Taste of Highland page on The Highland Center website.

The **Highland Farmers' Market** in 2016 through 2018 supported sales for 6 local meat producers, hosting 153 weekly shoppers and averaging \$495.81 in meat sales per week. The impact for meat producers participating in the farmers' market is measured in total meat sales of \$29,750 during the lifetime of the grant.

- ii. **Goal/Objective 2:** Expand operations of Alleghany Meats and increase the number of farmers that are processing and marketing products

a. Progress Made:

Marketing Strategy and Implementation

LFPP personnel identified the need for collaboration with Alleghany Meats to develop a cohesive marketing strategy for the facility. Two groups were formed, including a 1) Marketing Committee with monthly meetings and a 2) Working Group, hosting bi-weekly meetings. With engagement from the Alleghany Meats' board and staff to support work initiated by LFPP personnel, both groups were volunteer based and focused on a marketing agenda to research and carry out ideas from meetings.

Early on during the grant, in 2016, LFPP personnel determined the need to map out a clear marketing strategy and organized a 65-page plan, including three-pronged approach with the following:

1) foundational marketing strategy, 2) existing customer strategy, and 3) anchor customer strategy. Through to the end of the grant in 2018, this plan was referenced and utilized as a robust model for marketing Alleghany Meats. The first priority was in developing the basic marketing materials and foundational outreach to potential new customers. The following goals were accomplished:

- New website
- New press kit and tabling materials
- New banner and posters
- Email listserv of customers and stakeholders (65 newsletters)
- Facebook engagement (32 Facebook posts, 8 promoted posts, 876 total likes)
- Press coverage (8 hits on radio, magazine, newspaper articles, and press releases)
- Print advertisements (19 ads in local and regional newspapers)
- New print materials (3 new brochures, 2 new rack cards, 2 new business cards)
- Distribution of marketing materials (58 locations and the Highland Farmers' Market)

The updated promotional materials featured information on the facility's slaughter and processing services, including USDA and value-added processing, custom packaging and labeling, and the Alleghany Meats Market. Print materials were distributed at local businesses, events, and regional conferences.

Beyond foundational marketing materials, the Alleghany Meats' staff and board engaged in strengthening customer service to support retaining an existing customer base. A customer satisfaction survey was developed and given to customers. Additionally, Alleghany Meats' leadership and LFPP personnel identified the most substantial producers utilizing the facility and made the effort to sit down with these anchor customers to work on improvements to maintain the relationship, which further supported improving year-round throughput at the facility.

The goal in developing a marketing strategy during the grant was simultaneously to train Alleghany Meats' staff and board members to support marketing efforts after the grant. An extensive inventory of digital and printed marketing materials and templates were handed over, including instructions on how to navigate key components of the marketing strategy.

Conferences and Regional Meetings Promoting Local Meat

During 2016 through 2018, LFPP personnel and Alleghany Meats' staff attended a total of 18 conferences, events, or tradeshows ranging from the Virginia Farm to Table Conference, the West Virginia Small Farm Conference, and the 4VA Food Symposium. These events allowed LFPP personnel to engage with industry professionals across the state, learn about the opportunities and challenges of interrelated programs, and promote the efforts of The Highland Center and Alleghany Meats to a broader network. Additionally, these meetings and conferences brought together like-minds, including major players in the industry that are working to secure a more sustainable regional food system. LFPP personnel had interactions with supply-chain innovators, food distributors, institutional buyers, and livestock producers across Virginia and West Virginia.

b. Impact on Community:

Over the lifetime of the grant, Alleghany Meats has tracked an increase in 109 new livestock producers utilizing their processing services.

iii. Goal/Objective 3: Understand needs of regional farmers and create roadmap for aggregating and distributing local meat products

a. Progress Made:

Roadmap Development

LFPP personnel completed a comprehensive Roadmap to a Regional Brand. The report highlights the value of aggregation, outlining the current market opportunities in the region and describing the steps to developing a supply chain and distribution model for niche meats. The report includes sections outlining the following: a) Market Analysis, b) Livestock Supply, c) Processing Plan, and d) Management Plan. The main components of the roadmap include considerations for developing a target market, setting production and sourcing standards, and analyzing costs. The roadmap includes step-by-step information on how to operate and manage an aggregated brand as a business. The goal of the report is to provide a robust map of the niche meat industry in the region, as well as give insights into how a potential brand could operate within or alongside Alleghany Meats.

The roadmap is a compilation of research developed through meetings, conferences, and outreach during the lifetime of the grant. LFPP personnel collected information from a network of potential players through meetings with 65 producers, 22 buyers/distributors, as well as 15 local food organizations. Additionally, LFPP personnel collected a database of market opportunities including retailers, restaurants, and wholesalers in the region, with a total of 117 potential outlets for local meat. As part of the Processing Plan section, an extensive excel spreadsheet template was created. The *Supply Planning File* is a tool for capturing yield measurements per cut, and an inventory/order fulfillment system to inform forecasting and balance supply and demand.

The goal is for the roadmap to be useful to the facility, in providing detailed information and resources that will serve as a guide to overcoming hurdles in operating a brand and navigating the world of meat.

Pilot Programs with Other Aggregators

Given the operational limitations of the Alleghany Meats' plant and staff, LFPP personnel has determined a path forward through collaborations and partnerships with other meat brand entities. The impact of moving product through branding regional meats may still be realized, and the lacking knowledge and infrastructure at Alleghany Meats in operating a meat brand may be leveraged through potential partnerships. The following pilot programs have served as an entry point for new opportunities that could support the growth of finished livestock in the region, and in turn, support Alleghany Meats.

During the grant, LFPP personnel developed relationships with several aggregators who have a distribution network reaching customers across the region. In working with these aggregators, meat producers slaughtering at Alleghany Meats had the opportunity to access a broader market outlet, with minimal overhead. The following opportunities were managed in two different ways, with each providing new insight into how to structure a partnership program for aggregation and distribution through Alleghany Meats.

1. Buzz Foods

The first partnership involved the sale of meat carcasses from the producer to Alleghany Meats, and then from Alleghany Meats to Buzz Foods. In this program, Alleghany Meats became the pass through entity, taking ownership of the carcass and internally accounting for fees.

Buzz Foods is a meat brand, processing facility, and distribution company based in Charleston, West Virginia. Through the pilot program, Buzz Food engaged in sourcing lamb carcasses

through the Alleghany Meats' facility, for further processing at their facility and distribution to the final customer. In essence, Alleghany Meats has the slaughter capabilities that Buzz Foods does not; and Buzz Foods has the expertise and infrastructure that Alleghany Meats does not. With a skilled staff in portion cutting meats for the foodservice industry, as well as the cold-chain trucking capabilities of distributing, the partnership supports moving more product, more efficiently and creates a new opportunity for both parties. This scenario requires cash-flow for Alleghany Meats and additional staff to manage it, yet could generate additional revenue.

2. *Swift Level Fine Meats*

LFPP personnel has also supported a collaboration with Swift Level Fine Meats. This second partnership program involved a direct sale of the hanging carcass from the producer to the aggregator, with the facility never taking ownership. Swift Level paid Alleghany Meats to process the finished cuts, and then managed the final meat sales and distribution.

Swift Level Fine Meats is a meat brand and retail shop based in Lewisburg, WV. The brand currently sources meat products from over 20 producers in the region and markets products to restaurants, retail, as well as direct-to-consumer. In this scenario, the value of the carcass is recognized by the livestock producer in the opportunity to sell the whole hanging carcass at a set price per pound. Swift Level takes on the risk of managing the carcass, yet is capable of selling the individual cuts at a higher price to various market outlets in the region. This model could provide a win-win relationship for Alleghany Meats with an aggregated brand operating at the facility, without taking on any of the capital requirements or risk in owning/managing a regional brand.

b. Impact on Community:

Through the pilot program with **Buzz Foods** and **Swift Level Fine Meats**, the sale of the meat carcasses provided revenue for regional farmers at above average market value, and increased processing volume at Alleghany Meats. Additionally, momentum in regional branding of meat from the Alleghany Highlands has been initiated through new sales outlets for regional producers utilizing Alleghany Meats, totaling 7 new restaurants and 2 new retailers in the region. In general, these initial trail runs have served as a prototype for future business, and opened doors for new potential opportunities.

iv. Goal/Objective 4: Develop a cohesive regional brand for local meat products

a. Progress Made:

Mountain High Media supports development of Regional Brand

In tandem with finalizing the Roadmap to a Regional Brand, Mountain High Media was hired to contribute to the brand development, including branding strategy, logo, and messaging. The media company supported capturing the value of the region of the mountains of Virginia and West Virginia for aggregation and marketing of meat products at Alleghany Meats.

The idea of representing a 'Family of Producers' or 'umbrella brand' was conceptualized throughout the process, and Mountain High Media worked with LFPP personnel to create a brand strategy that would be marketable to both livestock producers and consumers. During meetings with anchor producers, LFPP personnel continually found that farmers lack the time, knowledge, and infrastructure to market their own meat products, and this often prevents them from successfully operating a brand of their own. With the brand created by Mountain High Media, there is a heightened capacity for producers to sell more meat through an aggregated program and create value through story-telling and transparency.

b. Impact on Community:

As this brand was recently created, there has been no official launch; however, the brand is available for utilization by Alleghany Meats in the future.

v. **Goal/Objective 5:**

Promote entrepreneurial ventures using local meat through technical assistance.

a. **Progress Made:**

Workshops and SCORE at The Highland Center

During the grant, The Highland Center hosted monthly SCORE sessions, available for businesses in the county to access one-on-one confidential business counseling related to opening or expanding an existing business. For entrepreneurs, SCORE serves as a key resource in learning about financial and business management that would not otherwise be accessible to producers in the region.

In May of 2018, The Highland Center hosted a full-day Agriculture and Forestry Resource Fair. The event highlighted and used local food at the luncheon served to all who attended. The keynote speaker was the Virginia Secretary of Agriculture, Bettina Ring. The fair was intended to support livestock producers through two sessions related to marketing products and resources in managing the finances of their farms. Sarah Sharpe from Virginia Cooperative Extension provided an exploration of direct marketing and direct-to-consumer sales. Tom Stanley from Virginia Cooperative Extension presented an overview of budgeting for cattle and small ruminant operations.

Food-Based Business Incubation Program at The Highland Center

The food-based business incubation program at The Highland Center has played a role in providing infrastructure for small meat producers, including a walk-in cooler/freezer space and commercial kitchen space. With access to these facilities, a small meat producer is no longer required to purchase expensive equipment that might otherwise prohibit growth and success.

b. Impact on Community:

SCORE counseling at The Highland Center has supported 6 livestock producers annually, with regularly scheduled meetings throughout the year. The **Agriculture and Forestry Resource Fair** hosted 9 exhibitors, speakers, and vendors related to supporting local-foods and the meat industry. The **food-based business incubation program** at The Highland Center has supported 5 producers utilizing the walk-in cooler/freezer space throughout the lifetime of the grant.

vi. **Goal/Objective 6:** Anchor Producers

a. **Progress made.**

Working with AM Staff to meet the needs of USDA meat producers

Throughout the lifetime of the grant, LFPP personnel encouraged improvements at the Alleghany Meats plant through engagement with the needs of serious meat producers, otherwise described as 'anchor producers.' With a goal to bring year-round business to the facility, the grant work supported improving the producer experience in working with the plant in order to lead to an increase in customer retention. These initiatives took place in directly reaching out to existing anchor customers, and organizing sit down meetings one-on-one to discuss potential improvements. Additionally, the grant work developed a pilot program for bringing potential anchor customers to the facility for a session on the cut-room floor. It was determined that by spending a little extra time upfront discussing the carcass cutting with the potential customer, Alleghany Meats will likely save time and money down the road. The outcome is a personal relationship between the cut-floor staff and the customer, as well as a more thorough understanding of the cutting needs in a way that will enable better quality processing.

LFPP personnel investigated and made a recommendation for a new scale and labeling system that would specifically support anchor customers' needs. The system would automatically print an inventory of weights per cut and carcass which would substantially benefit value-added meat producers who market and sell USDA meat products.

b. Impact on the community.

During the grant, LFPP personnel and Alleghany Meats' staff contacted 21 existing and potential anchor customers, and tracked 4 new producers becoming anchor customers at the facility.

2. Quantify the overall impact of the project on the intended beneficiaries, if applicable, from the baseline date (the start of the award performance period, September 30, 2015).

- i. Number of direct jobs created: **3 of 3**
- ii. Number of jobs retained: **9 of 7**
- iii. Number of indirect jobs created: **4 (seasonal) of 3-4**
- iv. Number of markets expanded: **4**
**Note: This number has been impacted by the topics addressed in Question #9.*
- v. Number of new markets established: **11 of 10.**
- vi. Annual market sales (through various outlets including the farmers' market, Alleghany Meats Market and aggregated branding) increased from **\$7,316** in 2016, to **\$23,199** in 2017, and **\$13,683** in 2018. **Note: 2018 was impacted by the plant's USDA suspension.*
- vii. Number of farmers/producers that have benefited from the project: **139**

3. Did you expand your customer base by reaching new populations such as new ethnic groups, additional low income/low access populations, new businesses, etc.? If so, how?

Yes. Through partnerships with the Virginia Department of Social Services and Valley Program for Aging Services, the market has been capable of improving patterns of healthy eating and food access, especially for community members with food insecurity. The expansion of low income/low access populations was promoted namely through The Highland Farmers' Market and the double SNAP match program.

The grant has also supported accessing new markets as well as new ethnic groups through a collaboration with meat aggregators, Buzz Foods and Swift Level Fine Meats. Combining results from both pilot programs, local meat products reached 9 new outlets including restaurants and retail shops in Virginia, West Virginia, and Pennsylvania. Additionally, through the Swift Level retail shop, the product reached new ethnic groups due to the diverse population of students at the West Virginia School of Osteopathic Medicine.

4. Discuss your community partnerships.

The LFPP grant has dually contributed to and been strengthened by a network of community partners including regional non-profit organizations, universities, privately owned businesses, and state agencies in both Virginia and West Virginia. The list includes, but is not limited to: *Virginia Tech Meat Lab, Buzz Foods, Aramark, Local Food Hub, T&E Meats, Unlimited Futures, Value Chain Cluster Initiative, WV Cooperative Extension, Virginia Cooperative Extension, Virginia Department of Agriculture, Ace Net, NCIF, Downstream Strategies, and Swift Level Fine Meats.* These partners have emphasized the need for small, regional multi-species slaughter facilities and showed willingness to work with Alleghany Meats on shared goals with co-beneficial outcomes. Several of the partners mentioned above were crucial in connecting LFPP and Alleghany Meats' personnel with key contacts and resources in the region to support further development of a local meat supply chain in the Allegheny Highlands. The network of community partnerships developed over the lifetime of the grant has been documented in the Roadmap to a Regional Brand and will continue to support Alleghany Meats and regional producers utilizing the facility beyond the grant.

5. Are you using contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project?

Cornelia Granbery was hired as a contractor to support the LFPP grant in 2016, and this relationship eventually led to her managing the grant in 2017 and 2018. Her previous experience managing customer service and logistics for a beef company based in California greatly contributed to her grant work, with

knowledge and insights into the meat industry and the knowledge related to navigating what it takes to run a regional brand.

Mountain High Media was hired for creating a brand design and marketing strategy for a regional aggregated program. The media company supported capturing the value of the region of the mountains of Virginia and West Virginia for aggregation and marketing of meat products at Alleghany Meats. Based on their skilled expertise in branding work in the region, the media firm contributed to the project in developing an asset for this region to utilize in the future.

6. Have you publicized any results yet?

The results have not yet been publicized. Given the scope of the grant, the majority of the marketing efforts for the facility and research for the Roadmap have been kept proprietary up to this point. The Alleghany Meats’ board has received consistent cumulative reports and a final report on the results.

7. Have you collected any feedback from your community and stakeholders about your work?

LFPP personnel has continued to collect feedback from the community and regional stakeholders regarding work on the grant through surveys, emails, interactive presentations, and conversations. Regional livestock producers, as well as the Alleghany Meats’ staff, board members, and shareholders served as a consistent source for feedback, with a direct understanding and perspective on the impact of the grant work over the past few years. Additional sources for feedback included meat consumers, consultants, state agencies, meat brands, chefs, and other slaughter facility operators.

Overwhelmingly, the feedback collected recognized the strength of marketing initiatives made possible through the LFPP grant and the impact in bringing new customers, as well as retaining anchor customers at Alleghany Meats. These individuals have applauded the efforts of the LFPP personnel in development of a consolidated marketing message targeting niche meat producers and commented on how much time has been saved in being able to access information online related to pricing and cut sheets. With the operational challenges of the facility, especially during the USDA suspension in 2018, community stakeholders provided critical feedback related to developing a regional brand. In conversations with producers and distributors alike, the conclusions have echoed the mindset of LFPP personnel, emphasizing the need to focus on operational capacity prior to launching a brand.

State leaders in agriculture recognize the important work of the grant, and the role of Alleghany Meats in the food chain. Secretary Bettina Ring in Virginia attended the Agriculture and Resource Fair at The Highland Center in 2018 as the keynote speaker. The Center’s Executive Director and several members of the Alleghany Meats board have had additional conversations with her. During a meeting with the Commissioner of Agriculture in West Virginia, there was a discussion regarding the work of LFPP and the Alleghany Meats marketing program. Both the West Virginia Commissioner and Virginia Secretary are well aware that the facility provides services to many West Virginia producers, given the location near the border of the two states. They applaud the efforts of the grant, and there was a conversation regarding how resources in the state of WV should focus on existing facilities, such as Alleghany Meats.

8. Budget Summary:

SF-425:

Submitted end of October

Did the project generate any income?

This project did not generate any income.

9. Lessons Learned:

Currently in the seventh year of operations, Alleghany Meats is a modern facility, situated in the least populated (2,400 people), remote and mountainous county in the state of Virginia. Strategically designed for niche meat producers, the facility was built to serve the rural population of livestock farmers in the mountains of Virginia and West Virginia, who previously had limited access to USDA meat processing. LFPP personnel found – as the food industry evolves, and consumers are demanding more

local, transparent products, small meat processing facilities are becoming an essential part of the web. The LFPP grant served as a timely, vital stepping stone for the Alleghany Meats facility and regional producers to find ways to work together toward shared goals.

The marketing efforts of LFPP personnel looked to understand and further communicate the strengths and benefits of Alleghany Meats. In offering a full menu of services, including processing for multi-species (beef, bison, hogs, lamb, goat), and value-added processing for smoking and curing meat, the facility is in the position to work with a diversity of meat producers and promote the supply of many different *types* of products. LFPP personnel focused on a marketing strategy that would leverage these capabilities and support producers getting more value out of a carcass. In the development of a Roadmap to a Regional Brand, there was heightened awareness of the opportunity in Alleghany Meats becoming an aggregator. Survey results through the grant consistently showed a high level of interest among livestock producers in the region to participate in an aggregation program. The LFPP grant contributed to a deepening perception of how operating a meat brand at Alleghany Meats would consistently support year-round throughput, operational improvements, and higher profit margins.

However, there are several factors that have shaped the outcome of the USDA LFPP grant work at Alleghany Meats which stifled grant objectives from being fully realized. While the goal to both develop and launch a regional brand was intended during the lifetime of the grant, LFPP personnel were only capable of reaching the potential opportunities that fit within the limitations of Alleghany Meats' operations. Leadership of the plant was a major ongoing challenge, with management continually struggling to get in front of problems that have lost the business both customers and money. While there was no lack in awareness of the issues the plant faces, there seemed to be limited resources and knowledge regarding how to implement long term change.

The ownership model of Alleghany Meats, with over 100 shareholders, creates a broad level of support across the community, yet spreads and weakens a sense of shared drive and direction. The Board of Managers is comprised for 6 to 8 volunteers with strong farming experience, yet limited knowledge regarding USDA meat processing and food safety. Financial constraints have impacted operations, especially affording a skilled, experienced manager. During the years of the grant, there were significant staffing and operational emergencies, where members on the Alleghany Meats' board were required to step into the day-to-day operations and make prompt decisions on how to steer the business in a direction that is both profitable and sustainable.

The Executive Director of The Highland Center and LFPP personnel regularly attended board meetings to further understand the challenges of the facility and support navigating operational improvements. Through a connection made by LFPP personnel, Alleghany Meats hired a graduate from the Meat Sciences Program at Virginia Tech. The new employee immediately proved to be a strong addition to the team and was promoted to General Manager of the facility during the summer 2018. LFPP personnel continued to provide insights into how to support this new manager, namely in how to setup a structure that would allow for adequate feedback between the staff and board.

The lessons to leave behind are for Alleghany Meats to focus *first* on enabling the core of the business, which means having a functional facility, *before* a meat brand can move forward. The final six-month period of grant efforts focused on laying a foundation for future work. The marketing strategy, roadmap, and branding are in a position for further development and implementation. Although the launch of the brand did not occur during the grant, the roadmap will provide a course of action for the Alleghany Meats' board and manager to follow once operational issues have been dealt with. Additionally, LFPP personnel identified a potential solution – to continue building relationships with existing aggregated brands, through a coordination of regional meat supply slaughtered and processed at Alleghany Meats. This solution would bring the same benefits of having a brand onsite, with less financial risk. There

would be an increase in throughput at the facility, more producers finishing livestock for regional meat distribution, and meanwhile, a lessened burden of overseeing the management of a full-blown brand at Alleghany Meats. There is a bright future ahead, but there is work to do in order to get there.

10. **Future Work:** i. How will you continue the work of this project beyond the performance period?

Alleghany Meats must be stable in its own operations in order to continue to support the livestock businesses which rely on it. Highland County has a population of only 2,400 people, and therefore, a business the size (7-9 employees) of Alleghany Meats is, in itself, significant. More importantly, Alleghany Meats supports the businesses of many livestock producers in a 4–7 county area. The business is a critical infrastructure component of the food system -- which is a significant economic sector for the region.

As stated in the Lessons Learned section above, Alleghany Meats business model of multiple investors represented by a volunteer Board of Managers does not seem to work for this business. The structure of the business has left the plant without a fire-in-the-belly ownership of the business. High employee-turnover has consistently been an issue, and through the LFPP grant and another USDA technical assistance grant, it has been recommended to the Board that an employee incentive package be put in place. The plan has never been implemented, and without leadership and an incentivized staff, it appears that transitioning to a new business model – a Lease or Lease/Purchase would be the most likely way to ensure the long-term viability for the business.

Betty Mitchell, executive director of The Highland Center, will be joining Alleghany Meats board in January 2019. She has been instrumental in the vision for and the creation of the facility. Her role as a board member will allow her to help address operational improvements, and find an individual or entity to Lease or purchase the facility. It has been recommended to the Board that a Lessor's business model would closely parallel the original vision for creating Alleghany Meats - ***to provide a local USDA slaughter facility with the opportunity for producers to come together under an aggregated brand, adding value to their livestock operations.***

With a new operator/owner, it is much more likely that Alleghany Meats will survive and that livestock producers can participate in a regional brand.

ii. Do you have any recommendations for future activities and that might advance the project goals? The Roadmap to a Regional Brand is an outline of LFPP personnel's recommendations on future activities. The steps to advance the project further are first to address leadership, manage the business, and operational challenges, prior to coordinating supply and demand for regionally aggregated meats. The Roadmap has an Appendix Section including a list of points regarding improvements to the business management and operations that are relevant to the immediate needs of Alleghany Meats. A Lessor and/or brand may be able to leverage momentum from running a meat business to make swift operational improvements at the facility. With the work accomplished over the lifetime of the grant, and a new, fresh approach to running the plant as a business, there is certainly hope for the future of regional livestock producers and Alleghany Meats.