





# WHY AM I HERE?

KEITH KELLY

# WHAT IF...



WE COULD CREATE 10,000 JOBS IN RURAL GEORGIA.



WE COULD KEEP \$1.3 BILLION IN STATE.



WE COULD PROVIDE EDUCATIONAL PATHWAYS FOR GEORGIA'S YOUTH,  
BETTER LOCAL SERVICES & FOOD CHOICES.

A red McCormick Farmall tractor is parked in a field. The tractor has "MCCORMICK FARMALL" and a circular "M" logo on its side. The background shows a line of trees and a field of young plants. A red banner with white text is overlaid across the middle of the image.

LOCAL PROTEIN PRODUCTION FACILITIES

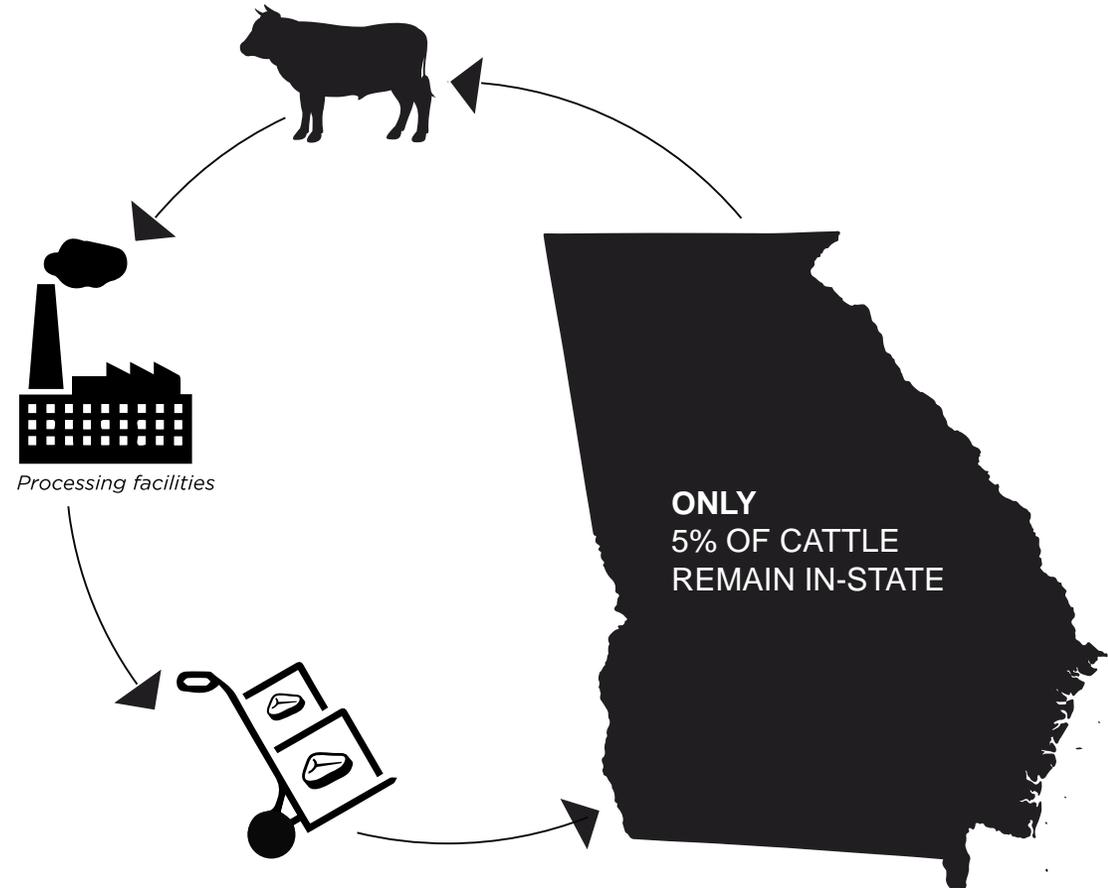
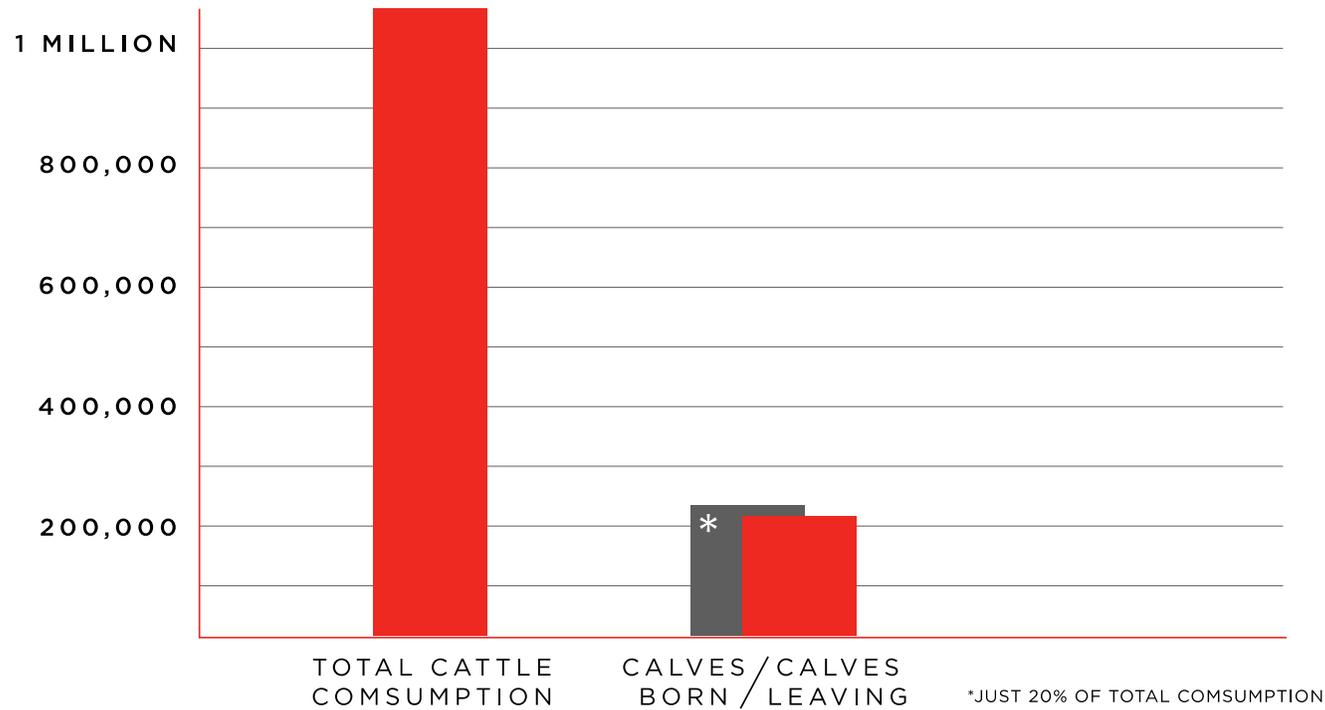
# WHY START WITH BEEF?

- Raised in all 159 counties
- Year-round production
- #6 cash crop in Georgia
- Estimated \$2 billion impact on Georgia's economy
- Consumer demand for local meats
- Beef deficit state



# CURRENT REALITY

## BEEF CATTLE IN GEORGIA



|  | CATTLE | LBS | RETAIL |
|--|--------|-----|--------|
|--|--------|-----|--------|

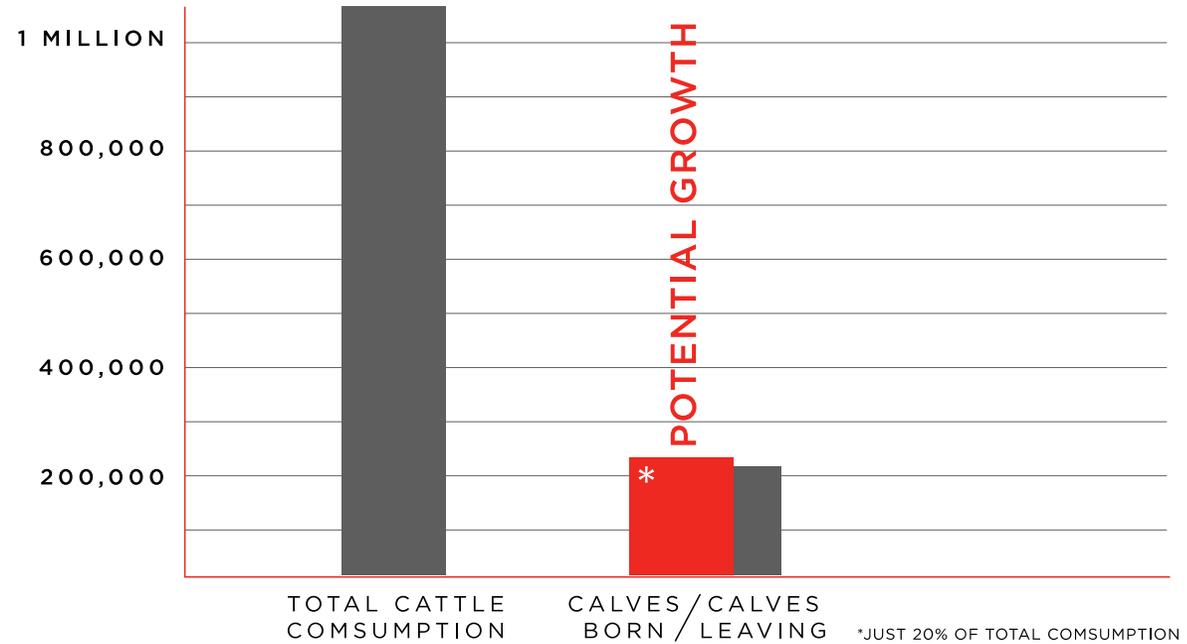
|                   |           |             |                 |
|-------------------|-----------|-------------|-----------------|
| CALVES BORN       | 240,000   | 121,500,000 | \$737,075,000   |
| CALVES LEAVING    | 230,960   | 115,480,000 | \$698,654,000   |
| TOTAL CONSUMPTION | 1,160,000 | 580,000,000 | \$3,509,000,000 |



# A NEW MODEL FOR RURAL GEORGIA BEEF FARMERS



BEEF CATTLE IN GEORGIA



TOTAL CURRENT OPPORTUNITY

| CATTLE  | LBS         | RETAIL                                 |
|---------|-------------|--|
| 240,000 | 121,500,000 | \$737,075,000                          |
|         |             | x \$1.87<br><i>economic multiplier</i> |
|         |             | <b>\$1,374,590,250</b>                 |



# CURRENT REALITY

## BEEF SUPPLY CHAIN



GEORGIA FARMERS RETAIN JUST 5.5%  
PROFIT MARGIN



# CURRENT REALITY

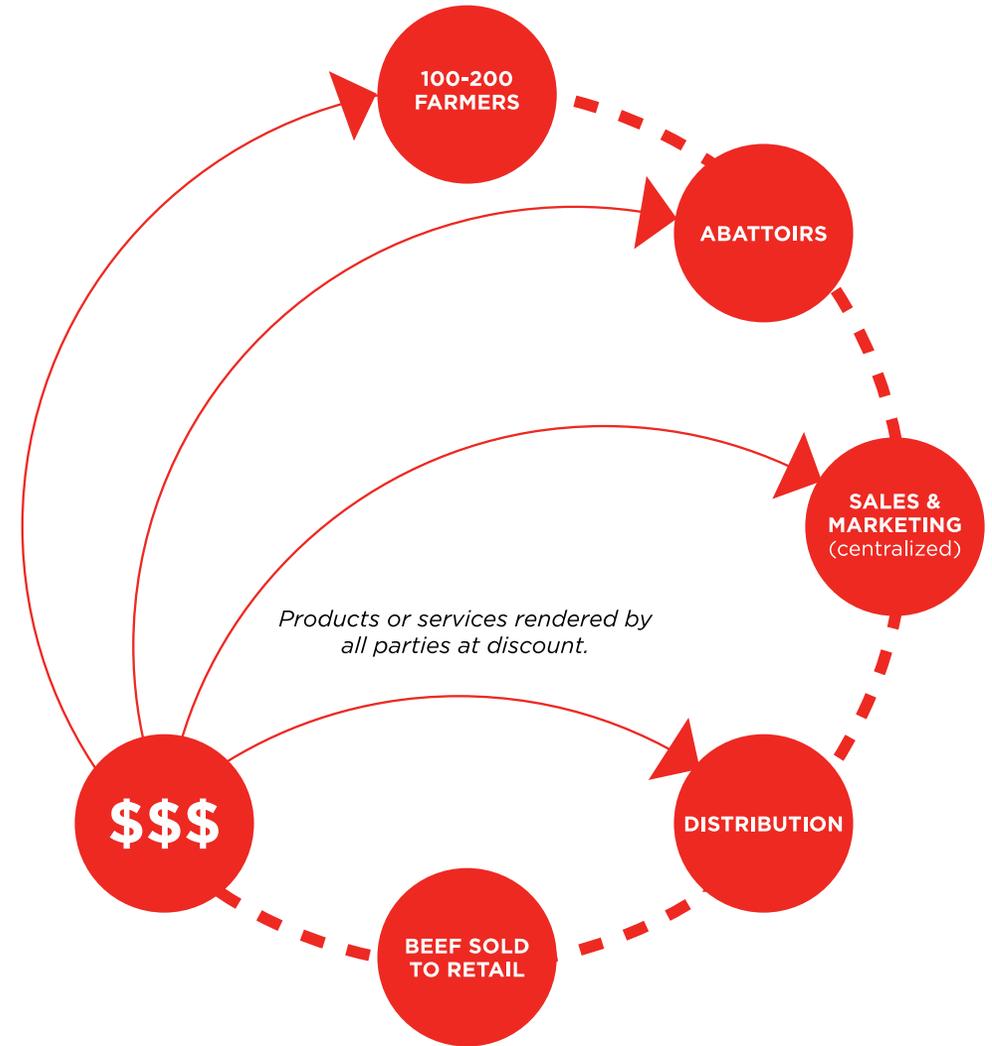
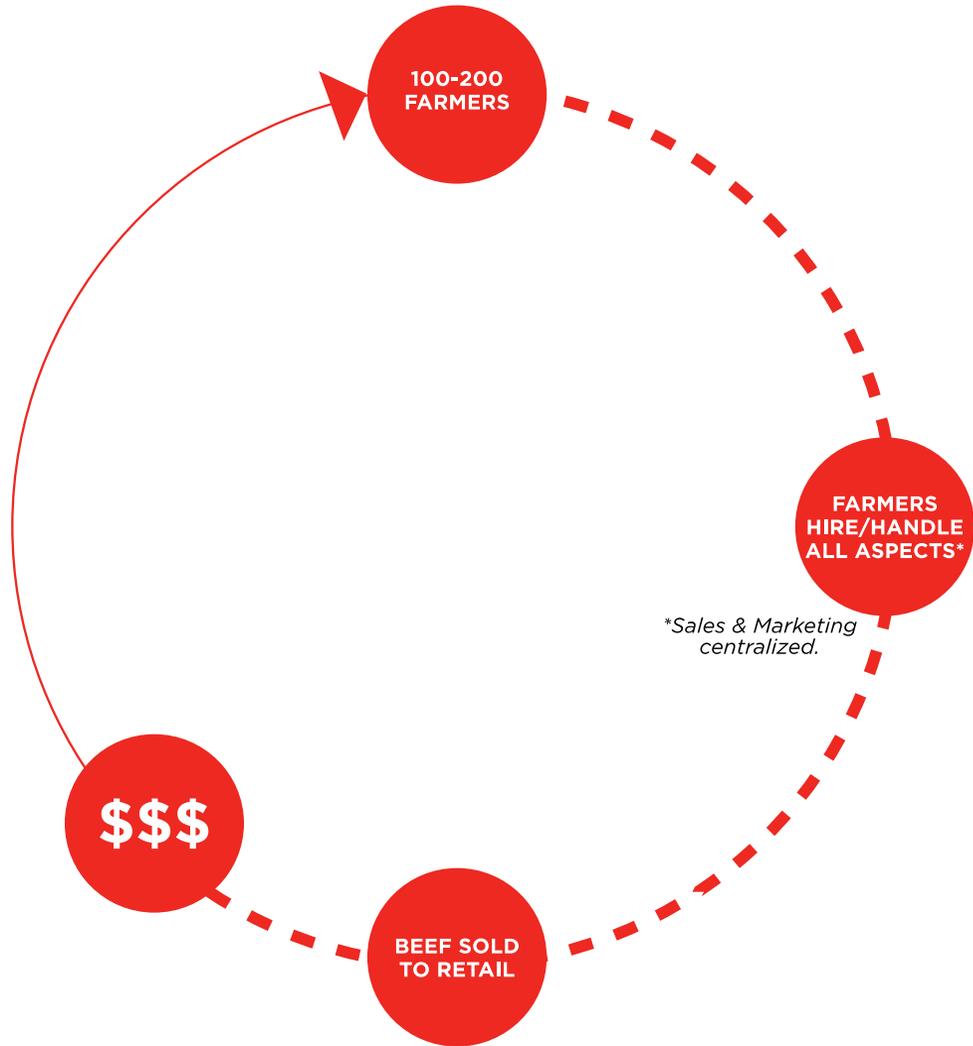
## BEEF SUPPLY CHAIN



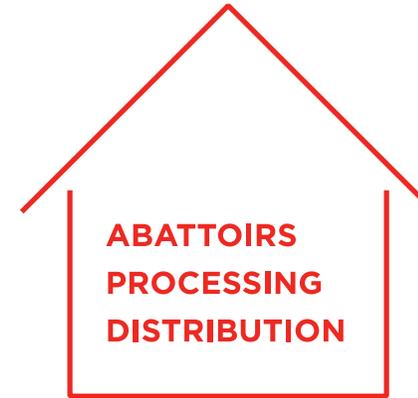
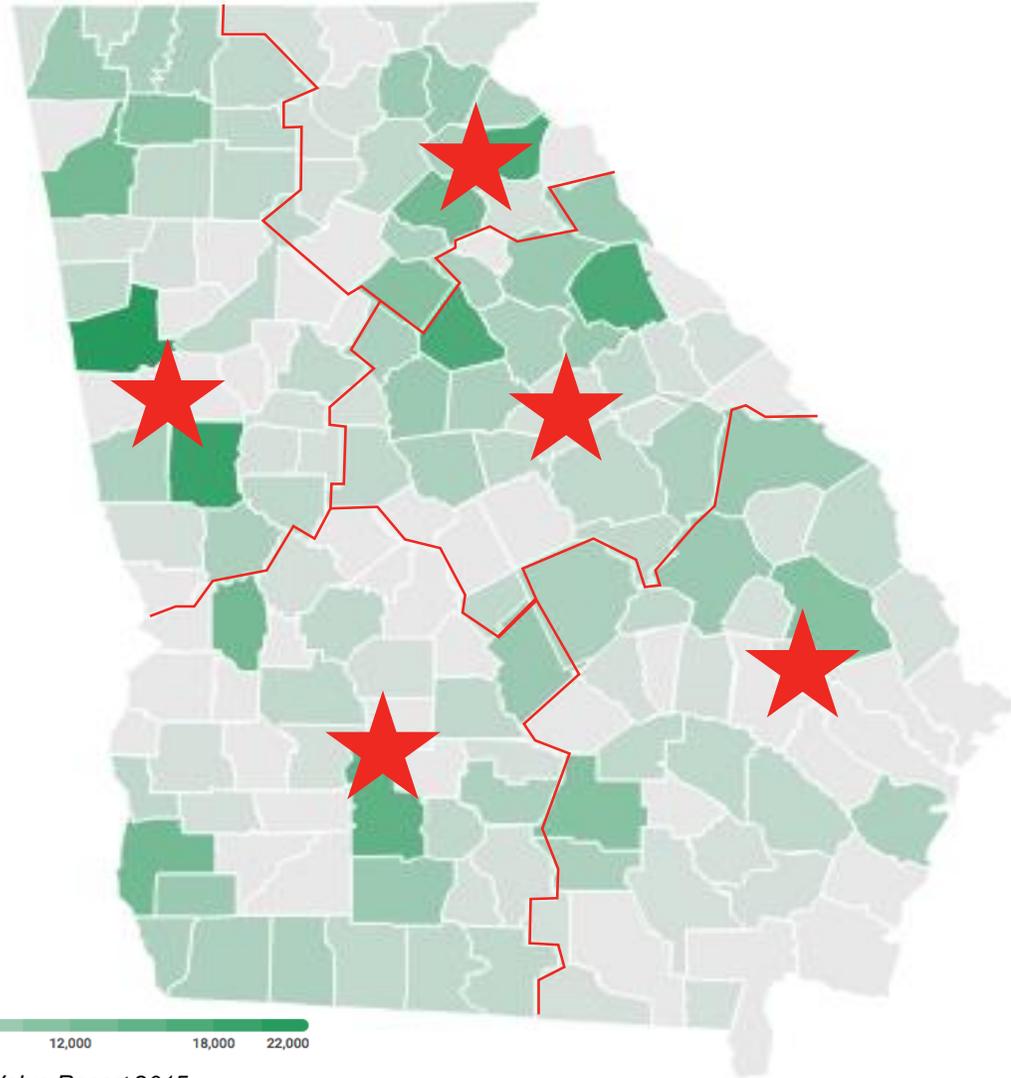
- **Need more abattoirs in Georgia**
  - Farmers driving several hours
  - Small scale abattoirs are costly to the farmer
  - Uneven supply for current abattoirs
- **No real distribution center or marketing for individual farmers**
  - Limited time & resources
- **87% of Georgia's 23,000 producers own less than 100 head of cattle**
  - Average herd size less than 50



# SOLUTION 2 SUPPLY CHAIN OPTIONS



# SOLUTION LOCAL PROTEIN PRODUCTION FACILITIES



EVERY GEORGIA BEEF FARMER  
WITHIN **100 MILES** OF A FACILITY

0 6,000 12,000 18,000 22,000

Source: Farm Gate Value Report 2015



# SOLUTION

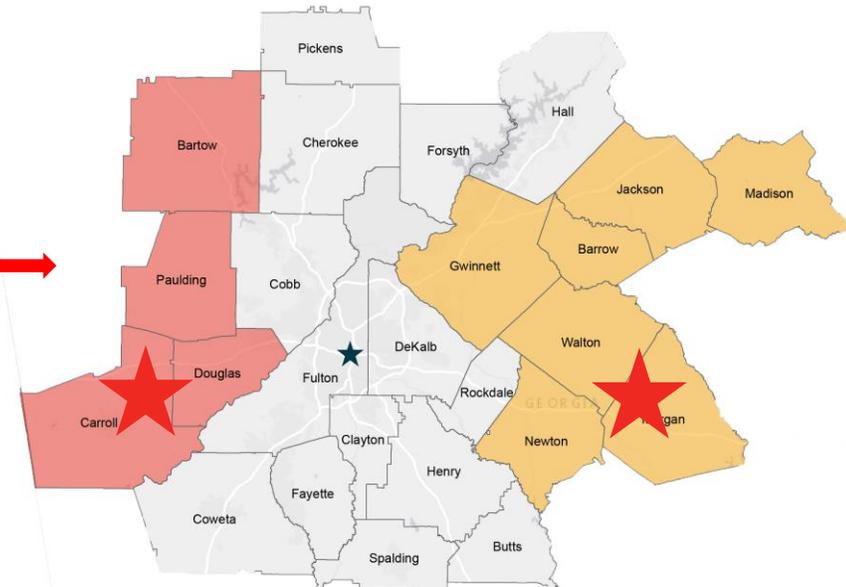


POTENTIAL FOR GEORGIA FARMERS TO  
RETAIN **45% GROSS** PROFIT MARGIN



# DETAILS

- Regional abattoir estimated cost: \$4.4 million (USDA)
  - \$22-\$25 million for initial 5 facilities, excluding property.
  - Breakeven for operation this size is 8,800 cattle/year
- Construction to permanent financing for meat processing facilities
- Term-loan financing available for cow/calf operations (Southwest Georgia Farm Credit)
- Local food systems grants
- Possible Partnerships
  - Georgia Power
  - Georgia EMC
  - Department of Community Affairs Grants/Loans
- The Working Farms Fund (Conservation Fund)
  - Creates pathway to land access for farmers through lease-to-own services
  - Avenue for securing a network of farmers



# JOB CREATION



Farmers



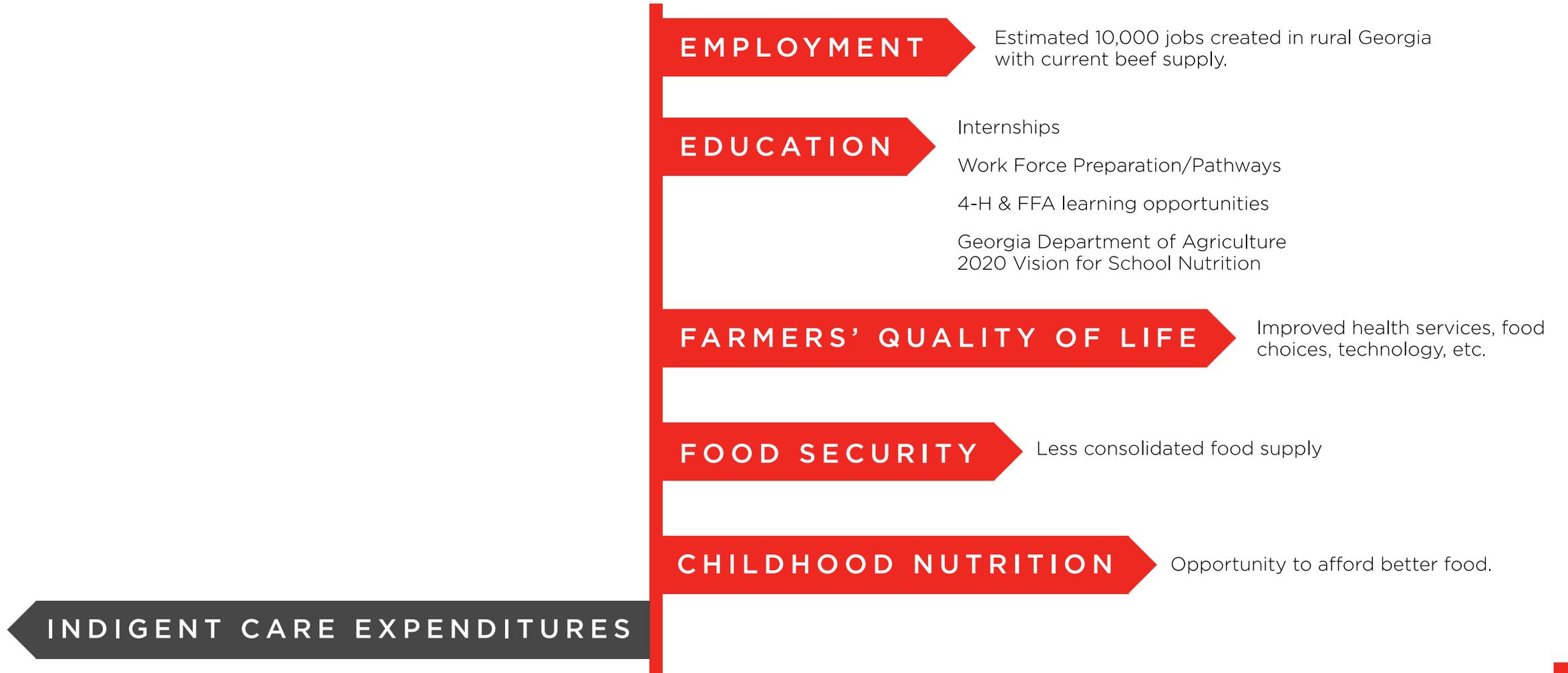
Corn



Refrigeration Transport

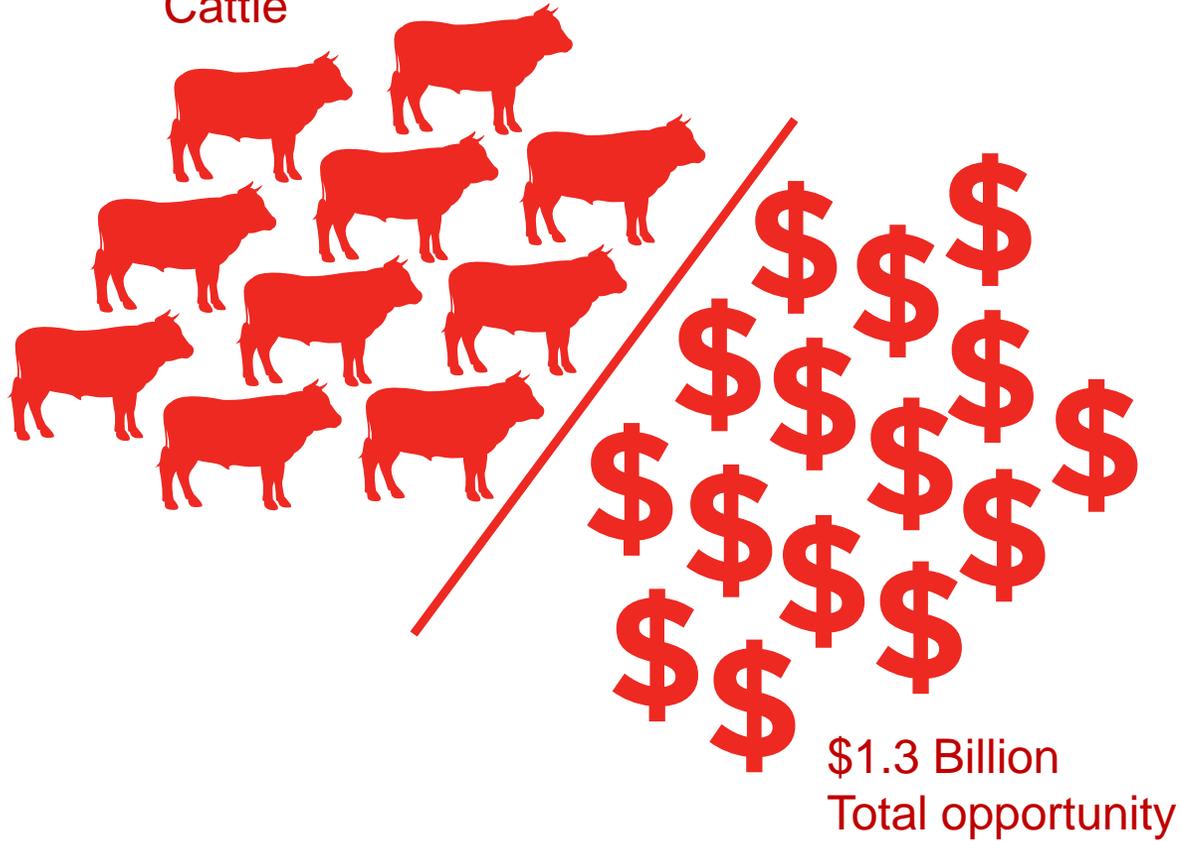


# IMPACT PROVIDING A SUSTAINABLE INCOME STREAM



# IMPACT TOTAL CURRENT OPPORTUNITY

240,000 Head of Cattle



10,000 + JOBS in RURAL GEORGIA  
(per initial conversations with UGA, 39 jobs per \$5 million)



# CONCLUSION

## **Opportunity to help farmers retain a larger piece of the supply chain by investing in**

- Economic feasibility research
- Marketing research
- Infrastructure
- Public/Private Partnership



KEITH KELLY | [keith@kellyreg.com](mailto:keith@kellyreg.com)

