



**Angie & Pono
von Holt**



© Ken Meter, 2003



Hawaii's beef exports

Hawaii exports 42,000 cattle/year (72%)

(Data from Linda Cox)

One-third of a day's slaughter (U.S.)

(0.3% of U.S. market)



Hawaii's beef exports

Current export situation:

**Hawaii has trusted buyers on
Mainland**

**Ranchers say islands have
competitive edge**

**disease-free reputation
year-round supply**

© Ken Metel, 2003



Hawaii's beef exports

Ranchers earn \$100 more per animal by exporting cattle

© Ken Meter, 2003



Hawaii's beef exports

Each sale of finished cattle on
mainland brings money into the
Hawaiian economy

\$18-27 million live sales each year





Hawaii's beef exports

To ship 42,000 cattle each year
ranchers pay about \$19 million to
Mainland vendors
(feed, shipping, processing)



Hawaii's beef exports

Each dollar spent on mainland
represents potential wealth not built
by Hawaii residents

Cal Lum





Hawaii's beef industry

Unused pasture / range land

Unused slaughter capacity



Local beef production

Forage-fed beef has health benefits

Some say forage-fed beef not gaining acceptance as fast as hoped

**different flavor
consistency**



Local beef production

Potential market for Hawaii residents
about 150,000 - 200,000 cattle per year

Tourists may double this market

Hawaii ranch capacity was 250,000
cattle (1970); 60,000 sold each year



Jerry Sanchez



Local beef

More beef will be raised locally if:

- **Costs of importing rise (oil is key)**
- **Buyers pay more for beef**
- **Input costs reduced**
- **Technology improves**
- **Infrastructure changes**



Local beef

Price for finished animals has doubled since October

Producers say they need \$1.00 per pound to finish beef on islands



Wailea Country Store



Imported beef

Imported beef costs less now

grain-finished
low-wage labor
large-scale processing



Imported beef

**Estimated \$200 million of boxed
beef purchased each year from
Mainland**



Benefits of local beef

If more beef is raised at home

Food dollars recycle in state



Hawaii's ranchers

Promising technology on horizon:

New Zealand mobile processing unit
with 3-person crew

This could help small growers stay
competitive



Hawaii's ranchers

Key issues for producers:

Forage feeding ties up pasture for many months

Shipping cattle to a feedlot frees up this land



Hawaii's beef industry

If pasturing were treated as an investment in improving soil quality rather than as expense...

What would happen to the ranch's balance sheet?

How would crop rotation benefit soil & water?



Toward Hawaii's Agricultural Future





Hawaii needs...

New infrastructure supporting

Food for Hawaii residents

**Stronger loyalty among
producers & consumers**

Sustainable farming systems



Hawaii needs...

Growers need long-term access to land on favorable terms

Water rights

Patient capital / equity investors



Hawaii needs...

**Statewide electoral constituency
supporting agriculture**



Key shifts

- From Consumers to Co-investors
- Farming that builds wealth in Hawaiian communities
- Shared risk among clustered firms
- Reduced energy use
- US Farm policy supports rural **communities** instead of **commodities**



Solid data matters!

How well do local food dollars cycle?



Solid data matters!

What is the capacity of the islands to produce food & energy for Hawaii?

How much land needs to be reserved?



Solid data matters!

**...Publish a
“Finding Food in Hawaii” study?**

© Ken Meter, 2003

32

“Finding Food in Farm Country”



<http://www.crcworks.org/ff.pdf>

kmeter@crcworks.org

(612) 869-8664

© Ken Meter, 2003

33