

MEAT PRICING & YIELD CALCULATOR FOR SALE BY THE CUT

This document was created and adapted from original materials developed by Matt LeRoux from Cornell University



National Institute of Food and Agriculture



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The manual meat pricing & yield guide meat cuts pricing calculator was created for those who prefer to calculate prices by hand. It will lead you through steps similar to the online Cornell Meat Price Calculator allowing you to determine a profitable price for direct marketing meat cuts.

Utilize the calculator to best meet your pricing needs. It is especially important to include all your overhead costs from delivering the animals to the processor to picking up the processed meat. Do not forget to include your retail sales overhead which includes but isn't limited to, liability insurance, Pennsylvania license fees, website and domain fees, credit card processing fees, etc.

The goal of the manual pricing calculator is to ensure you are selling your meat at a profit. Selling your product at a loss is unsustainable and will have a negative impact on the success of your farm business.

Thank you for taking time to ensure your meat business is profitable!



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<u>Step 1</u>: Identify the marketing channel and species you are developing pricing for.

Farmers' Market	Restaurant	Grocery Store

Place a checkmark in the box of the channel you are developing pricing for.

* **Note:** There is a separate guide for Freezer Trade that may be more useful to you.

Beef	Pork	Goat	Lamb

Place a checkmark in the box of the species that you are developing pricing for.

<u>Step 2</u>: Determine the base price of your animal.

2a	ENTER: Desired price for the whole live animal.
2b	ENTER: Average HCW of your animals.
2c	CALCULATE: 2a / 2b = Base Price Per Pound

<u>2c Calculation Details:</u> 2a / 2b = Base Price Per Pound

(Average Whole Price of Animal) / (Average Hot Carcass Weight) = Base Price Per Pound

<u>Step 3</u>: (Optional) Add a premium to your base price per pound.

3а		ENTER: \$/Ib. HCW premium added to your base price
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<u>Step 4</u>: Determine the trucking cost per head for your animals.

4a	ENTER: Number of head you trucked	
4b	ENTER: Total cost (fuel, etc.)	
4c	ENTER: Labor hours spent	
4d	ENTER: Cost per labor hour for your time	
4e	CALCULATE: (4b + (4c × 4d)) / 4a = Trucking Per Head	

<u>**4e Calculation Details:**</u> (4b + (4c × 4d)) / 4a

(Total Cost + (# of Hours × Hourly Rate)) / (# of Animals) = Cost For Trucking 1 Head

<u>Step 5</u>: Enter the total delivery cost per head - pickup from processor and delivery to customer.

5a		ENTER: Cost per head for delivery (\$/1 head)
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<u>Step 6</u>: Enter the kill fee per head.

6a		ENTER: Cost per head for kill fee (\$/1 head)
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<u>Step 7</u>: Enter the "cut & wrap" processing fee per pound of HCW.

7a		ENTER: Cut & wrap processing fee (\$/lb. HCW)
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<u>Step 8</u>: Enter the costs of value added processing.

	Product Name	Processing Cost per Pound	
8a			\$/Ib.
8b			\$/Ib.
8c			\$/Ib.
8d			\$/Ib.
8e			\$/Ib.
8f			\$/Ib.
8g			\$/Ib.

Note: These weights and prices should appear on your invoice from the processor.

<u>Step 9</u>: Enter the actual Hot Carcass Weight of the animal you had processed.

9a ENTER: Hot Carcass Weight of the animal (lbs)	
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<u>Step 10</u>: Enter all of the cuts and actual pounds received. Include all organs, soup bones, etc. Then calculate the total pounds received by adding all values together.

#	Cut Name	Pounds Received	
10a			lbs.
10b			lbs.
10c			lbs.
10d			lbs.
10e			lbs.
10f			lbs.

10g		lbs.
10h		lbs.
10i		lbs.
10j		lbs.
10k		lbs.
101		lbs.
10m		lbs.
10n		lbs.
100		lbs.
10p		lbs.
10q		lbs.
10r		lbs.
10s		lbs.
10t		lbs.
10u		lbs.
10v		lbs.
10w		lbs.
10y		lbs.
10x		lbs.

<u>10z Calculation Details:</u> 10a + 10b + ... + 10y + 10x = Total Pounds

Add the pounds received from every cut type including organs and soup bones to

determine your Total Pounds received.

<u>Step 11</u>: Enter the number of pounds from additionally processed meat products

11a		lbs.
11b		lbs.
llc		lbs.
11d		lbs.
lle		lbs.
11f		lbs.
llg		lbs.

llz		CALCULATE: 11a + 11b + + 11h + 11g = Total Processed Pounds
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<u>11z Calculation Details:</u> 11a + 11b + ... + 11h + 11g = Total Processed Pounds

Add the pounds received from every additionally processed meat product.

<u>Step 12</u>: Calculate total retail yield, dressing percentage, total costs so far and average cost per pound.

12a		CALCULATE: 10z + 11z = Total Retail Yield in Ibs.
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Total Retail Yield: The total weight of retail ready meat you received from the animal

<u>12a Calculation Details:</u> 10z + 11z = Total Retail Yield in Ibs.

(Total Pounds of Regular Cuts + Total Pounds of Processed Meats) = Total Retail Yield

CALCULATE: 12a / 9a = Dressing Percentage

Dressing Percentage: The percentage of the animal that was returned as retail meat.

<u>12b Calculation Details:</u> 12a / 9a = Dressing Percentage

(Total Retail Yield / Hot Carcass Weight) = Dressing Percentage

12c		CALCULATE: (2c + 3a) × 9a = Total HCW Value
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Total HCW Value: The value of the hot carcass weight received.

<u>12c Calculation Details:</u> (2c + 3a) × 9a = Total HCW Value

((Base Price Per Lb. + Premium Base Price Per Lb.) × Hot Carcass Weight) = Total HCW

Value

12d		CALCULATE: 4e + 5a = Total Trucking Cost Per Head
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Total Trucking Cost Per Head: The combined trucking and delivery costs per head.

<u>12d Calculation Details:</u> 4e + 5a = Total Trucking Cost Per Head

(Trucking Per Head + Deliver Per Head) = Total Trucking Cost Per head

12e		RE-ENTER: Kill Fee Per Head (Same Value As 6a)
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1	2f		CALCULATE: (7a × 9a) = Total Cut & Wrap Fee
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Total Cut & Wrap Fee: The total fee assessed based on the cost per pound and the total pounds processed.

12f Calculation Details: (7a × 9a) = Total Cut & Wrap Fee

(Cut & Wrap Fee Cost Per Lb. × Hot Carcass Weight) = Total Cut & Wrap Fee

12g	CALCULATE: Total Value-Added Processing Fees:
	(8a × 11a) + (8b × 11b) + + (8f × 11f) + (8g × 11g)

Total Value-Added Processing Fees: The total cost of value-added processing based on the cost per pound for the processing and the total pounds of each type.

<u>12g Calculation Details:</u> $(8a \times 11a) + (8b \times 11b) + ... + (8f \times 11f) + (8g \times 11g) = Total Fees$

(Item 1 Weight × Item 1 Processing Fee) + (Item 2 Weight × Item 2 Processing Fee) ... (Last Item Weight × Last Item Processing Fee) = Total Value-Added Processing Fees

12h	CALCULATE: 12c + 12d + 12e + 12f + 12g = Total Costs So Far
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Total Costs So Far: All of the relevant costs from transport, butchering, processing and delivery.

<u>12h Calculation Details:</u> 12c + 12d + 12e + 12f + 12g = Total Costs So Far

(Total HCW Value + Total Trucking Cost Per Head + Kill Fee Per Head + Total Cut & Wrap Fee

+ Total Value-Added Processing Fee) = Total Costs So Far For One Head

12i	CALCULATE: 12h	¹ 12a = Average Cost Per Pound

Average Cost Per Pound: Your average cost to produce one pound of meat

12i Calculation Details: 12h / 12a = Average Cost Per Pound

(Total Cost / Total Retail Yield) = Average Cost Per Pound

<u>Step 13</u>: Enter desired retail sales overhead and calculate total cost with overhead.

13a	%	ENTER: Percentage to cover all retail sales overhead costs.	
13b		CALCULATE: Total Cost With Retail Sales Overhead =	
		12h + (12h × 13a)	

13b Calculation Details: 12h + (12h × 13a) = Total Cost With Retail Sales Overhead

(Total Cost + (Total Cost × Mark Up As a Percentage) = Total Cost With Retail Sales

Overhead

<u>Step 14</u>: Enter the pounds of each cut of meat you receive and the cost per pound you charge. Then calculate the value of each cut (lbs × \$/lb). Repeat for processed meats.

#	Cut Name	lbs.	\$/Ib.	Value = lbs. × \$/lb.
14a				
14b				
14c				
14d				

14e			
14f			
14g			
14h			
14i			
14j			
14k			
141			
14m			
14n			
140			
14p			
14q			
14r			
14s			
14t			
14u			
14v			
14w			
14y			
14x			
14z		Subtotal Value =	

<u>14a-x & 14z Calculation Details:</u>

For each cut (14a - 14x): Value = Ibs of item × cost per pound

Subtotal Value (14z) = (Value of Item 1 + Value of Item 2 + ... Value of Last Item)

Enter the pounds of each cut of processed meat you receive and the cost per pound you charge. Then calculate the value of each cut (lbs × \$/lb).

#	Cut Name	lbs.	\$/Ib.	Value = lbs. × \$/lb.
14aa	Sausage 1:			
14bb	Sausage 2:			
14cc	Hot dogs:			
14dd	Patties:			
14ee	Smoking:			
14ff	Other 1:			
14gg	Other 2:			
14zz			Subtotal Value =	

<u>14aa-xx & 14zz Calculation Details:</u>

For each cut (14aa-14xx): Value = lbs of each item × cost per pound

Subtotal Value (14zz) = (Value of Item 1 + Value of Item 2 + ... Value of Last Item)

15. REVIEW & Calculate Totals:

15a		Calculate: (13b / 12a) = Average \$/lb. of Retail Meat.
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Average Cost Per Pound of Retail Meat: Based on all entered costs and retail sales overhead, your average cost per pound of sellable meat, across all cuts is. **Note:** This is not the same as weighted average.

15a Calculation Details: (13b / 12a) = Average \$/lb. of Retail Meat
(Total Cost With Retail Sales Overhead / Total Retail Yield) = Average Cost Per Pound o
Retail Meat

of

	15b		Calculate: (14z+14zz)/12a = Weighted Avg \$/lb.
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Weighted Average Cost Per Pound: Based on current pricing and pounds received, your weighted average price/pound.

Note: This is the weighted average price.

<u>15b Calculation Details</u>: (14z+14zz)/12a = Weighted Avg \$/lb.

(Subtotal Value of Cuts of Meat + Subtotal Value of Processed Meats) / Total Retail Yield) =

Weighted Average Cost Per Pound

	15c		Calculate: (14z+14zz) = Total Income
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Total Income: Total income from all cuts with current pricing

<u>15c Calculation Details</u>: (14z+14zz) = Total Income

(Subtotal Value of Cuts of Meat + Subtotal Value of Processed Meats) = Total Income

15d		Calculate: (15c - 13b) = Profit Per Head
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Profit Per Head: Based on current costs, yields, CURRENT pricing, and retail overhead.

<u>15d Calculation Details</u>: (15c - 13b) = Profit Per Head

(Total Income - Total Cost With Retail Sales Overhead) = Total Profit

Step 16: Enter your REVISED pricing for each cut. Enter the pounds of each cut of meat you receive and the cost per pound you charge. Then calculate the value of each cut (lbs × \$/lb). Repeat for processed meats.

#	Cut Name	lbs.	\$/lb.	Value = lbs. × \$/lb.
16a				
16b				
16c				
16d				
16e				
16f				
16g				
16h				
16i				
16j				
16k				
161				
16m				
16n				
160				
16p				
16q				
16r				
16s				
16t				

16u			
16v			
16w			
16y			
16x			
16z		Subtotal Value =	

<u>16a-x & 16z Calculation Details:</u>

For each cut (16a-x): Value = lbs of item × cost per pound

Subtotal Value (16z) = (Value of Item 1 + Value of Item 2 + ... Value of Last Item)

Enter the pounds of each cut of processed meat you receive and the cost per pound you charge. Then calculate the value of each cut (lbs × \$/lb).

#	Cut Name	lbs.	\$/Ib.	Value = lbs. × \$/lb.
16aa	Sausage 1:			
16bb	Sausage 2:			
16cc	Hot dogs:			
16dd	Patties:			
16ee	Smoking:			
16ff	Other 1:			
16gg	Other 2:			
16zz			Subtotal Value =	

<u>16aa-xx & 16zz Calculation Details:</u>

For each cut (16aa-16xx): Value = lbs of each item × cost per pound

Subtotal Value (16zz) = (Value of Item 1 + Value of Item 2 + ... Value of Last Item)

17. REVIEW & Calculate Updated Totals:

17a RE-ENTER: Average	e \$/Ib. of Retail Meat (15a)
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Average Cost Per Pound of Retail Meat: Based on all entered costs and desired retail sales overhead, your average cost per pound of sellable meat, across all cuts is. **Note:** This is not the same as weighted average.

17b		CALCULATE: (16z+16zz)/12a = Weighted Avg \$/lb.
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Weighted Average Cost Per Pound: Based on current pricing and pounds received, your weighted average price/pound.

Note: This is the weighted average price.

17b Calculation Details: (16z+16zz)/12a = Weighted Avg \$/lb.

(Subtotal Value of Cuts of Meat + Subtotal Value of Processed Meats) / Total Retail Yield) =

Weighted Average Cost Per Pound

17c CALCULATE: (16z+16zz) = Total Income	
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Total Income: Total income from all cuts with current pricing

(Subtotal Value of Cuts of Meat + Subtotal Value of Processed Meats) = Total Income

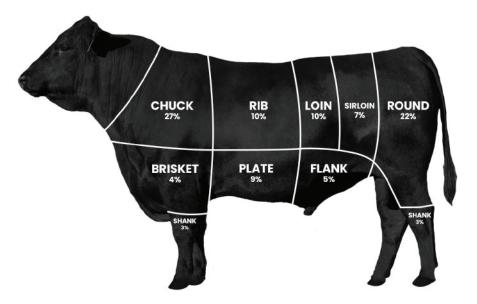
17d		CALCULATE: (17c - 13b) = Profit Per Head
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Profit Per Head: Based on current costs, yields, and CURRENT pricing, the amount you would expect to profit.

<u>17d Calculation Details</u>: (17c - 13b) = Profit Per Head

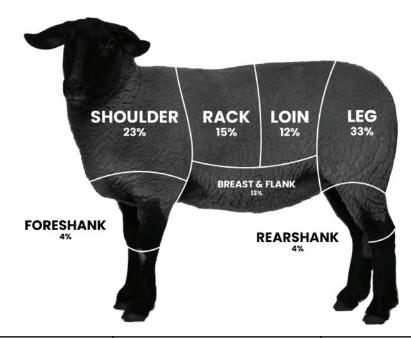
(Total Income - Total Cost With Retail Sales Overhead) = Total Profit

Example Meat Cut Lists: You won't receive all cuts listed below from a single animal. The final options depend on what you prioritize, and what your processor is able to provide. Other cuts may be possible, and not all processors will offer every cut option. Depending on the number of cut options available from a single muscle, you can typically choose between two and four options for each primal area.

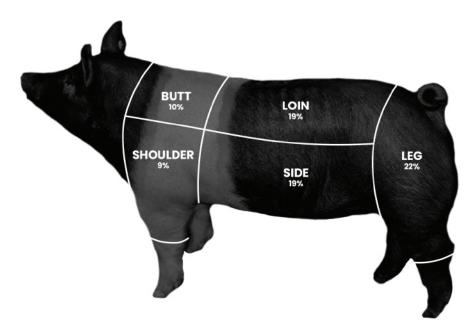


Chuck Primal (27% HCW)	Rib Primal (10% HCW)	Loin Primal (10% HCW)
7-Bone Chuck Roast	Bone-In Rib Roast/Prime Rib	New York Strip
Chuck Arm Roast	Ribeye Steak	T-Bone Steak
Blade Roast	Prime Rib/Ribeye Roast	Porterhouse Steak
Denver Roast/Under Blade	Tomahawk Steak	Tenderloin Roast (Filet Mignon)
Denver Steak	Ribeye Steak / Delmonico	Tenderloin Steak (Filet Mignon)
Chuck Roast	Back Ribs	
Chuck Eye Roast	Rib Short Ribs	Sirloin Primal (7% HCW)
Short Ribs		Tri-Tip Steak
Mock Tender Roast	Round Primal (22% HCW)	Tri-Tip Roast
Chuck Top Blade Steak	Bottom Round Roast	Top Sirloin Steak

Flat Iron Steak	Bottom Round Steak	
Shoulder Petite Tender	Eye Round Roast	Plate Primal (9% HCW)
Shoulder Petite Tender Medallions	Eye Round Steak	Hanger Steak
Ground Beef	Top Round Steak	Inside Skirt
	Boneless Rump Roast	Outside Skirt
Brisket Primal (4% HCW)	Tip Roast, Cap Off	Plate Short Ribs
Brisket, Whole	Tip Steak	Flanken Style Short Ribs
Brisket, Flat Half	Sirloin Tip Center Roast	Hanging Tender
Brisket, Point Half	Ground Beef	
		Flank Primal (5% HCW)
Shank Primal (3% HCW)		Flank Steak
Shank Cross Cut		
Shank Center Cut		



Shoulder Primal (23% HCW)	Rack Primal (15% HCW)	Loin Primal (12% HCW)
Square Cut Shoulder Whole	Rib Chop	Loin Roast
Boneless Shoulder Roast (BRT)	Frenched Rib Chop	Double Boneless Loin Roast
Blade Chop	Rib Roast	Loin Chop
Arm Chop	Frenched Rib Roast	Double Loin/Butterfly Chop
Neck Slices	Crown Roast	Tenderloin
Lamb for Stew	Leg Primal (33% HCW)	
Ground Lamb	Whole Leg	Foreshank Primal (4% HCW)
	Short Cut Leg, Sirloin off	Foreshank
Breast & Flank Primal (13% HCW)	Center Leg Roast	Ground Lamb
Spareribs or Denver Ribs	Center Cut Leg Steak	
Riblets	Boneless Leg Roast	Rearshank Primal (4% HCW)
Ground Lamb	Top Round	Rearshank
	Cubes for Kabobs	Frenched Hindshank
	Sirloin Chop	Ground Lamb
	Boneless Sirloin Roast	



Butt Primal (10% HCW)	Loin Primal (19% HCW)	Leg Primal (22% HCW)
Blade Steak, Bone-in	Rack of Pork	Ham Shanks/Ham Hock
Butt Roast, Bone-in	Pork Back Ribs	Ham
Blade Pork Roast	New York Pork Roast	Ham Steak
	New York Pork Chop	Smoked Ham, Bone in
Shoulder Primal (9% HCW)	Country-Style Ribs, Bone-In	Pork Sausages
Arm Pork Roast or Arm Picnic	Sirloin Tip Roast, Boneless	Ground Pork
Picnic Roast or Boneless Roast	Ribeye Pork Chop	
Pork Sausages	Ribeye Pork Chop, Boneless	Side Primal (19% HCW)
Ground Pork	Sirloin Pork Roast, Boneless	Cured Bacon
	Sirloin Pork Chop, Boneless	Pork Belly, Fresh
	Porterhouse Pork Chop	Pork Spareribs
	Pork Tenderloin	Pork St. Louis-Style Ribs
