

MEAT PRICING & YIELD CALCULATOR

FOR FREEZER TRADE

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



National Institute of Food and Agriculture
U.S. DEPARTMENT OF AGRICULTURE



**NORTHEAST
EXTENSION
RISK
MANAGEMENT
EDUCATION**

The manual freezer trade 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 quarters and sides.

Utilize the calculator to best meet your pricing needs in determining meat pricing for quarters, halves and/or a special quantity package you offer your customers. The calculator offers many options, for example there is a line for delivery costs, if the customer picks up the product at the processor you can enter a 0 in that line.

If your customer pays the processor separately for processing you will not add processing costs to the meat price calculation.

The goal of the manual freezer trade 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 your overall farm business.

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



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Step 1: Identify the marketing channel and species you are developing pricing for.

Beef	Pork	Goat	Lamb

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

Step 2: 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: $(2a) / (2b) = \text{Base Price Per Pound}$

2c Calculation Details: $2a / 2b = \text{Base Price Per Pound}$

$(\text{Average Whole Price of Animal}) / (\text{Average Hot Carcass Weight}) = \text{Base Price Per Pound}$

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

3a		ENTER: \$/lb. HCW premium added to your base price
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Step 4: 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: $(4b + (4c \times 4d)) / 4a = \text{Trucking Per Head}$

4e Calculation Details: $(4b + (4c \times 4d)) / 4a$

$(\text{Total Cost} + (\# \text{ of Hours} \times \text{Hourly Rate})) / (\# \text{ of Animals}) = \text{Cost For Trucking 1 Head}$

Step 5: 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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Step 6: Enter the kill fee per head:

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

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

#	Product	\$/Lbs. Fee	Lbs. Processed	Processing Cost
8a				
8b				
8c				
8d				
8e				
8f				
8g				
8z	Total Lbs Processed:			
8zz	Total Processing Cost:			

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

Processing Cost Calculation Details:

$(\$/\text{Lbs. Fee}) \times (\text{Number of Pounds Processed}) = \text{Processing Cost For That Item}$

8z Calculation Details:

Add the number of pounds processed for each item together.

8zz Calculation Details:

Add the processing cost for each item together.

Step 9: 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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Step 10: Review and calculate cost and average cost per pound.

10a		CALCULATE: $(7a \times 9a) = \text{Total Cut \& Wrap Fee}$
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Total Cut & Wrap Fee: The total fee assessed based on the cost per pound and the total pounds processed.

10a Calculation Details: $(7a \times 9a) = \text{Total Cut \& Wrap Fee}$

$(\text{Cut \& Wrap Fee Cost Per Lb.} \times \text{Hot Carcass Weight}) = \text{Total Cut \& Wrap Fee}$

10b		CALCULATE: Total Cost So Far: $((2c + 3a) \times 9a) + 5a + 4e + 6a + 10a + 8zz)$
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Total Costs So Far: All of the relevant costs from transport, butchering, processing and delivery.

10b Calculation Details: $((2c + 3a) \times 9a) + 5a + 4e + 6a + 10a + 8zz = \text{Total Costs}$

$((\text{Base Price Per Pound} + \$/\text{lb. HCW premium added to your base price}) \times \text{Hot Carcass Weight}) + (\text{Cost per head for delivery} + \text{Trucking Per Head}) + \text{Cost per head for kill fee} + \text{Total Cut \& Wrap Fee} + \text{Total Processing Cost} = \text{Total Costs}$

10c		CALCULATE: $(10b / 9a) = \text{Average COST per pound}$
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10c Calculation Details: $(10b / 9a) = \text{Average COST per pound}$

$(\text{Total Cost So Far} / \text{Hot Carcass Weight}) = \text{Average COST per pound}$

Step 11: Enter desired retail sales overhead and calculate total cost with overhead.

11a	%	ENTER: Percentage to cover all retail sales overhead costs.
11b		CALCULATE: Total Cost With Retail Sales Overhead = $10b + (10b \times 11a)$

11b Calculation Details: $10b + (10b \times 11a) = \text{Total Cost With Retail Sales Overhead}$

$(\text{Total Cost} + (\text{Total Cost} \times \text{Mark Up As a Percentage})) = \text{Total Cost With Retail Sales Overhead}$

Step 12: Enter your CURRENT pricing for freezer trade. Enter as \$/lb HCW including processing

12a		ENTER: Current \$/lb. HCW including processing
12b		CALCULATE: $12a \times 9a = \text{Total income}$

12b Calculation Details: $12a \times 9a = \text{Current total income per head}$

$(\text{Current } \$/\text{lb. HCW including processing} \times \text{Hot Carcass Weight}) = \text{Current total income per head}$

Step 13: Calculate recommended freezer trade price, total income with revised pricing and income above cost

13a		CALCULATE: $11b \div 9a = \text{Recommended Freezer Trade Price}$
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13a Calculation Details: $11b \div 9a = \text{Recommended Freezer Trade Price}$

$(\text{Total Cost With Mark Up} \div \text{Hot Carcass Weight}) = \text{Recommended Freezer Trade Price}$

13b		CALCULATE: $11b - 10b = \text{Income above cost } \$/\text{head}$
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13b Calculation Details: $11b - 10b = \text{Income above cost } \$/\text{head}$

$(\text{Total Cost With Mark Up} - \text{Total Costs}) = \text{Recommended Freezer Trade Price}$

Step 14: (Optional) Enter the total weight of packaged meat received back from the butcher. Include all organs , soup bones, etc. * Do not include additionally processed pounds

14a		ENTER: Total Pounds Per 1 Head
14b		CALCULATE: $(14a + 8z) = \text{Total Retail Yield}$

14b Calculation Details: $(14a + 8z) = \text{Total Retail Yield}$

$(\text{Total Pounds Per 1 Head} + \text{Total Pounds Additionally Processed}) = \text{Total Retail Yield}$

14c		CALCULATE: $(14b / 9a) = \% \text{ Retail Yield}$
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14c Calculation Details: $(14b / 9a) = \% \text{ Retail Yield}$

$(\text{Total Retail Yield} / \text{Hot Carcass Weight}) = \% \text{ Retail Yield}$

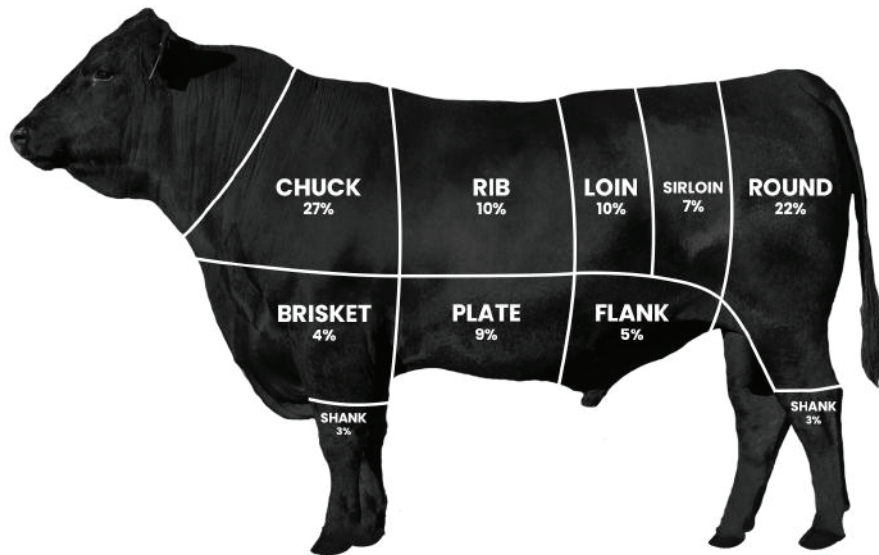
14d		<p>Using REVISED pricing, the "take home" price for your customers is</p> <p>CALCULATE: $13b/14b$</p>
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14d Calculation Details: $(13b/14b) = \text{"Take Home" Price For Customers Per Pound, Across}$

All Cuts

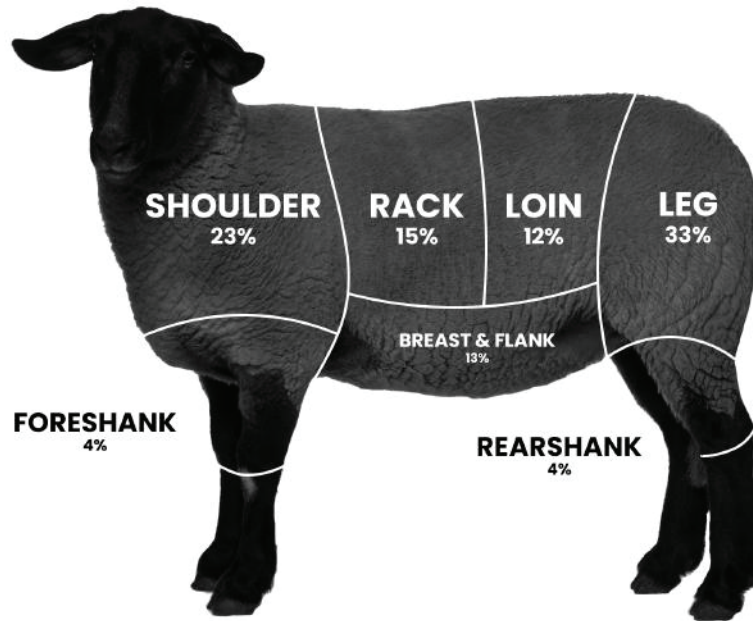
$(\text{Income above cost } \$/\text{head} / \text{Total Retail Yield}) = \text{"Take Home" Price For Customers Per Pound, Across All Cuts}$

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.

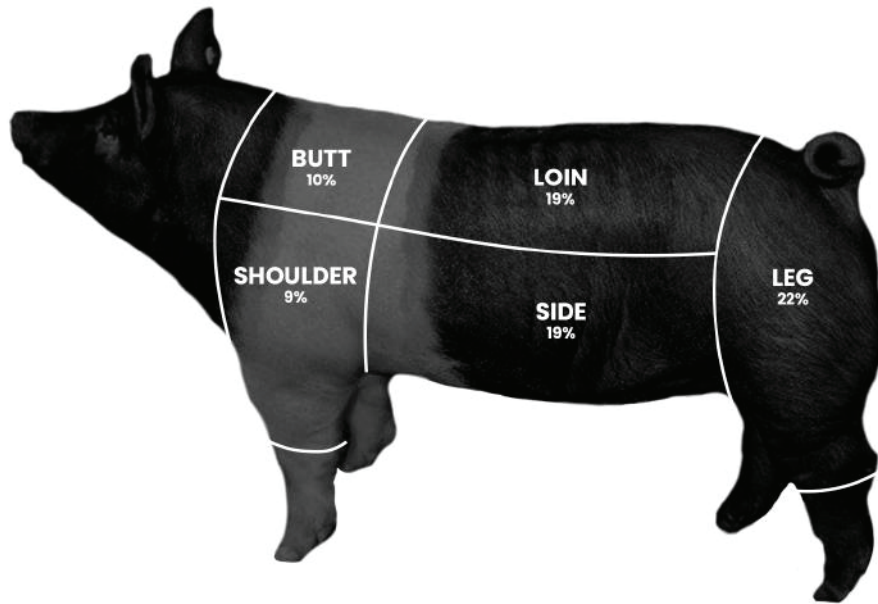


Chuck Primal (27% HCW)	Rib Primal (10% HCW)	Loin Primal (10% HCW)
7-Bone Chuck Roast	Bone-In Rib Roast/Prime Rib	New York Strip
Chuck Arm Roast	Ribeye Steak	T-Bone Steak
Blade Roast	Prime Rib/Ribeye Roast	Porterhouse Steak
Denver Roast/Under Blade	Tomahawk Steak	Tenderloin Roast (Filet Mignon)
Denver 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

