

COOP'S MEAT SUPPLY CHAIN STABLE DESPITE ROLLERCOASTER

June 8, 2020



Margie Lempert, the Coop's Meat Buyer and Receiving Coordinator has built her career around small livestock farming. Photo by John Midgley

By Hayley Gorenberg

Despite a huge spike in sales in the early days of the pandemic followed by a steep plunge, the Coop's meat supply has been relatively stable amidst Covid-19, showcasing the resiliency of smaller, more responsible producers and processors.

The stability contrasts sharply with the major disruptions in the more industrial national meat supply chain as several consolidated factory meat processors shut down amid Covid-19 outbreaks among workers.

Volatile Sales



A few days after the shelter in place order meat sales fell off a cliff. Photo by John Midgley

"There might be volatility, but we're okay," said Meat Buyer and Receiving Coordinator Margie Lempert, who has been navigating the wild ride with the Coop's meat pro-

ducers.

In pre-pandemic times, the Coop each week purchased several tons of chicken and two or two-and-a-half whole steers from Slope Farms and Lancaster Farm Fresh, as well as supplemental cuts amounting to another steer from Hardwick Beef, and additional supplemental ground beef and other cuts from Thousand Hills. “For a single store, we sell an extraordinary amount of beef!” Lempert said.

But in the weeks leading up to New York’s order to shelter in place, Coop members went on a buying spree and “overall demand in the store skyrocketed,” Lempert said. “We were almost in holiday mode for three weeks, breaking our sales records week over week. Going into the pandemic, people started shopping in droves, and we were constantly running out of meat, as we were with lots of products.”

Suppliers tried to meet Coop demand, running through some back stock. “Then they literally start running out of animals,” Lempert said. Some suppliers could not keep up with the volume or the Coop’s desired timelines.

Then the shelter in place order went into effect, and “sales fell off a cliff,” Lempert said, “because we were constraining entry into the store, because we had to create a safe space—and because there’s only so much we as paid staff can handle without 14,000 members’ help!”

For a couple of weeks the Coop discounted more meat than usual while working to reduce the size of its orders to match the suddenly lower demand. And then Lempert started pulling back orders from suppliers.

Relationships and Timelines



Lempert nurtures direct relationships with farmers who raise cows, pigs and lambs directly for the Coop. Photo by John Midgley

Even as it cut orders, the Coop attempted to preserve its close relationships with suppliers, who risked economic harm from the mid-March pullback. “We buy whole animals from a number of suppliers, and we had to skip some deliveries, asking not to receive steers on certain weeks.”

After nurturing direct relationships with farmers raising steer, pigs and lambs specifically for the Coop, those farmers “might not have a market to move those animals,” Lempert said. “We are a big fish in a small to mid-sized pond, so we have important relationships with those suppliers. They’ve prioritized us as a client. We try to be sensitive, so we don’t stress those farmers so much that we negatively impact their bottom line.”

The relatively long timeline for producing meat – as compared to produce--figured into the impact. “Animals take a long time to get to the right weight and condition to be slaughtered,” Lempert said. “With meat, every step along the way is a complicating factor: the lifespan of the animal, going to the processor to be processed—they only have so many slots in a day. And then a side of beef is hung for a few weeks before it’s shipped.”

Lempert said she acted with keen awareness that the downstream effect of cutting the Coop order could mean the supplier in turn gave up a slot with a meat processor, impinging on that relationship as well.

Avoiding “Big Meat”



Ken Jaffe of Slope Farms owns a herd of over 200 grass-fed cows. Photo by Linda Jaffe

The industrial producers' national, consolidated meat supply chain has proven relatively inflexible, Lempert said. The news has been filled with reports of coronavirus outbreaks among workers in industrial meat-packing facilities and ensuing shutdowns and shortages — not to mention perhaps millions of animals killed after growing too large for processing.

That dynamic is the tradeoff for “efficiency and wealth-accumulation,” Lempert opined. “It’s another way in which we might all feel good about being part of the Coop. The vast majority of meat in this country is processed through just a handful of meat packing houses,” she said. “Little of what we are buying is going through these facilities.”

And unlike those large producers, the Coop’s suppliers have dealt with less severe disruptions due to illness and new safety protocols. “From what I’ve discussed [with Coop meat suppliers], it seems like they’ve done a lot to look out for their workers,” Lempert said. “We might feel effects because they’ve done a good job to keep workers safe—which slows production, with more room for each person to work, safety measures, and not as many workers on the floor processing.”

Smaller suppliers also seem to have insulated the Coop from wild price fluctuations “because of who we buy from and the deals we have.” Purchasing directly from farmers and operating at a different scale, “our pricing has been pretty consistent,” with changes Lempert deemed “normal.”

Lempert, who joined the Coop staff three years ago, has extensive experience with small farming. She started a community-supported agriculture operation in Brooklyn for a livestock farmer from the Hudson Valley, has sold at farmers markets in Brooklyn, worked on a farm, and 15 years after graduating college pursued a graduate degree in sustainable agriculture.

Sales on the Rise



The Coop's meat is 100% free from antibiotics and hormones. Photo by John Midgley

As the Coop has gradually expanded hours this spring and become more efficient (for example, pre-bagging bulk items so members can shop for them faster), more shoppers can come in each day, "so we're better serving members and the bottom line of the Coop—the two things everybody wants."

With rising sales and increasing demand, "farmers we ramped down now needed to be ramped up, and that again takes time," said Lempert. "We're working to get animals back in place that we'd taken away. Two farmers we purchased whole steers from each week [prior to pandemic restrictions] were alternating. Then we moved to reinstate both, and it took a bit of time to get them back in place," she said. "That's true in various ways for other suppliers."

Predicting buying patterns has grown more complex, as many members have shifted

shopping habits to visit only once every two or three weeks, for very large transactions. “It’s a very different type of demand,” she said. ■