

(credit: Oren Liebermann)

*PHILADELPHIA (CBS)* -- At Cappuccio's Meats in the Italian Market, the cuts of beef are cutting into the profits.

"Every week when I talk to my suppliers, I'm amazed by how much it's going up," said owner Domenick Crimi.

Beef prices soared more than 10 percent last year according to the Department of Agriculture, and they will likely go up at least another 5 percent this year.

"It bumps up a bit, comes down a tiny bit, then it bounces again, and when it bounces, it goes up another dime, 15, 20 cents," said Crimi, "and sometimes that's in a week."

A drought across Texas and Oklahoma has made food and water scarce for cattle, which has kept herds small. The Department of Agriculture says there are 91 million cattle nationally, the smallest herd since 1952. Add to that the rising cost of feed and rising beef exports, and the price of beef in the states is surging.

"Your customers get tired of hearing every week that it's going up," said Andrew Hurford, manager of Kissin Fresh Meats. "Sooner or later, they're going to reach a tolerance ceiling and they're going to say maybe it's not worth it anymore."

The meat locker at Kissin used to be filled with fresh beef hanging from rails. But now it is only half full, since they have replaced beef with pre-packaged goods like eggs and cole slaw, leaving them something else to sell when customers stop purchasing as much beef.

"We do a lot of fish now and chicken," said Johanna Butler, visiting the Italian Market from Swedesboro, NJ. "I mean, beef indeed is very expensive, so I've made some changes."

For many shoppers tired of high beef prices, the question is no longer where's the beef, but how much is it going to cost?