



GENERAL OVERVIEW OF THE HISTORY, REGULATIONS AND INSPECTION INFORMATION FOR DIRECT MEAT MARKETING IN TENNESSEE

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INTRODUCTION

The regulations and oversight protocols for a safe meat supply can be confusing. To deal with the confusion, it is helpful to review the history shaping today's meat regulations and to get a clearer perspective of federal and state regulations that impact local operations.

Many of the regulations and inspections that impact the marketing and movement of meat products from the farm to the consumer are implemented at the federal level. Most federal regulations apply across state lines. Some regulations, however, are enacted at the state and local levels and, therefore, vary from one jurisdiction to another.

The information here is limited in scope to red meat and pork legislation. It is intended to provide an overview of the history of meat inspection regulations and clarification of harvesting and processing options for meat that can be sold in Tennessee. Information about custom-exempt and on-farm harvesting and processing is also mentioned.

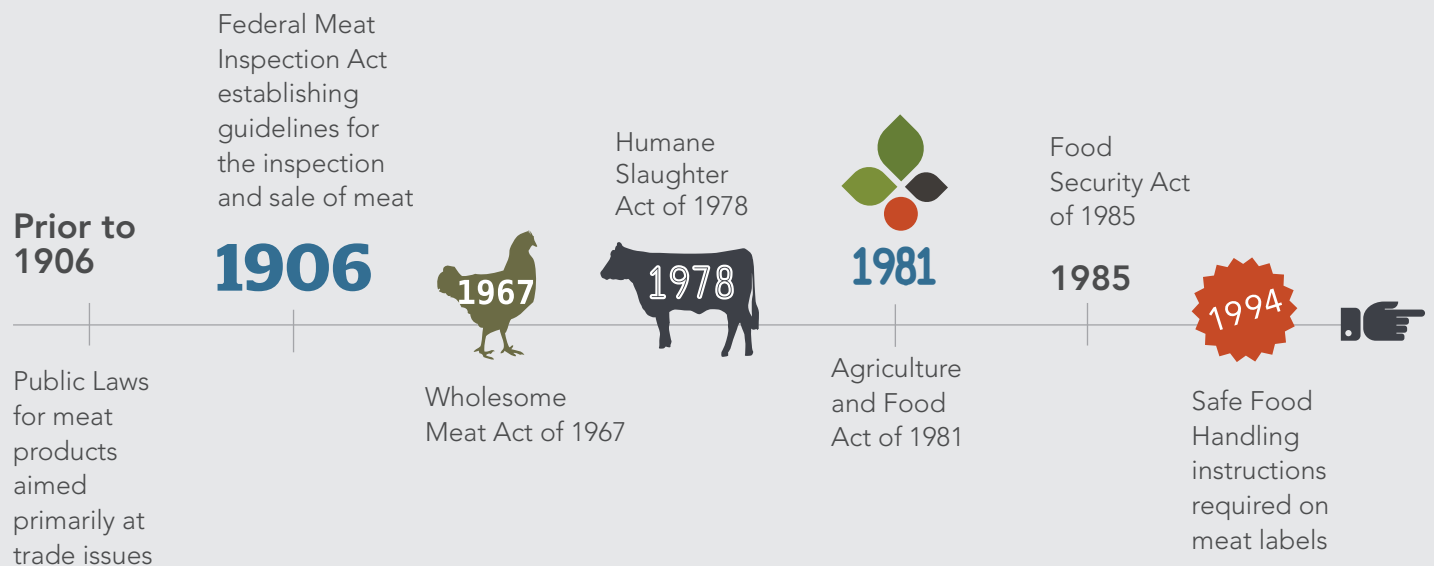


Figure 1. Timeline to summarize highlights in the history of meat regulations and inspection in the U.S.

HISTORY OF MEAT REGULATIONS AND INSPECTION

Guidelines for the inspection and sale of meat products in the U.S. date back to public laws passed by the federal government as far back as the 1800s. Prior to 1906, meat inspection and regulations were aimed mostly at trade issues. The Federal Meat Inspection Act (FMIA) of 1906 focused on dietary, health, safety and labor issues. The FMIA originated partly in response to reports of the day on the working and sanitary conditions in the Chicago meat packing industry that were exposed in Upton Sinclair's book *The Jungle*. The FMIA authorized the Secretary of Agriculture to inspect and condemn meat products found unfit for human consumption. The 1906 provisions were revised by the Wholesome Meat Act in 1967. The act set forth modern provisions for the inspection of meat for sale. The act included inspection standards and requirements for harvesting and processing. The core provisions of the act have remained mostly intact since 1967 with numerous amendments, additions, clarifications and exemptions over the years.

In 1978, the act was amended to include provisions for humane slaughter, commonly referred to as the Humane Slaughter Act of 1978. In 1981 and again in 1985, the act was amended with provisions of the Agriculture and Food Act of 1981 and the Food Security Act of 1985. In 1996 the Pathogen Reduction and Hazard Analysis and Critical Control Points (HACCP) legislation was implemented to reduce pathogenic bacteria and foodborne illness and to make meat inspection more science based. Other adjustments were made in the federal meat inspection

regulations at various times from 1996 to 2000 including the Safe Food Handling labeling requirements in 1994. This required safe handling instructions to be included on the label of fresh meat and poultry products at retail. After Sept. 11, 2001, provisions were developed to address increased concerns about potential acts of terrorism with the nation's food supply.

From 2003 to 2005, adjustments and additions were made to the federal regulations for nutritional labeling requirements, modifications of allowable stunning procedures and changes to the disposition criteria for disabled animals. From 2009 to 2011, federal provisions addressed requirements for recall plans in inspected facilities, HACCP revisions and pilot programs for the interstate shipment of products from state-inspected plants.

A timeline summarizing some of the history of meat inspection regulations is presented in Figure 1. The food safety standards and inspection legislation authorized under the federal meat inspection act are to be carried out in all federally approved meat establishments. In the broadest sense, the federal meat inspection regulations exist to ensure that meat and meat products sold for human consumption are processed, packaged, handled and stored in sanitary conditions. The regulations set standards for the inspection of meat processing plants and provides federal authority to prevent the manufacturing, sale or transportation of adulterated or misbranded meat and meat products. The aim of the regulations is to protect consumers by ensuring a supply of safe and wholesome meat and meat products. The federal regulations concern all aspects

Pathogen Reduction
and Hazard Analysis
Critical Control
Points (HACCP)
Guidelines

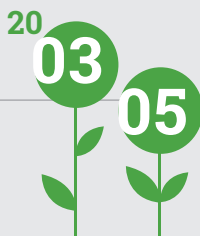


1996

Post Sept. 11, 2001

Federal Provisions
to address potential
acts of terrorism to
the food supply

Nutritional Labeling
and Humane
Slaughter revisions



Country of Origin
Labeling (COOL)

HACCP
revisions and
requirements
to recall plans

2009 - 2011

of the meat industry including pre-harvest animal health, harvesting, processing, sanitation, packaging, handling, labeling, transportation, wholesaling and imports.

HARVESTING AND PROCESSING FACILITIES FROM WHICH MEAT CAN BE SOLD IN THE U.S.

In the U.S., meat products that will be sold must originate from a harvesting and processing facility that is approved by the USDA and operated under the guidance of federally mandated procedures and inspection. Meat products must also be properly packaged, labeled, handled and stored. Proper packaging, handling and storage of meat are ensured by various permits and inspections. Three primary types of inspection and oversight programs exist for harvesting and processing facilities to meet federal requirements and become approved sources. These programs include:

1. Federal-inspected facilities.
2. State-inspected facilities.
3. Talmadge-Aiken (TA) plants.

It is important to understand that federal guidelines for harvesting and processing are the minimum requirements for these three facility types. Additional details about each facility type are provided below.

FEDERALLY INSPECTED FACILITIES

Federally inspected operations are issued a grant of inspection by USDA and must have a USDA inspector on-site for the entire process of live animal arrival and postmortem inspection. In addition, inspectors must be on duty during fabrication (cutting). Meat from federally inspected operations bear an official USDA inspection legend to show it came from an approved facility. Meat products from a federally approved source that are properly packaged and labeled can be sold to retail or wholesale customers.

Figure 2. Example of an official USDA inspection legends. The inspection legend on the left is a poultry inspection legend, the inspection legend in the middle is a meat inspection legend and the inspection legend on the right is a carcass inspection legend. Poultry inspection legends and meat inspection legends are not interchangeable.



Figure 2. Example of official USDA inspection legends.

In August 2011, the Center for Profitable Agriculture reviewed a list of 30 livestock slaughtering and processing plants in Tennessee that were permitted for inspection by the U.S. Department of Agriculture Food Safety and Inspection Service (USDA FSIS). It was found that many

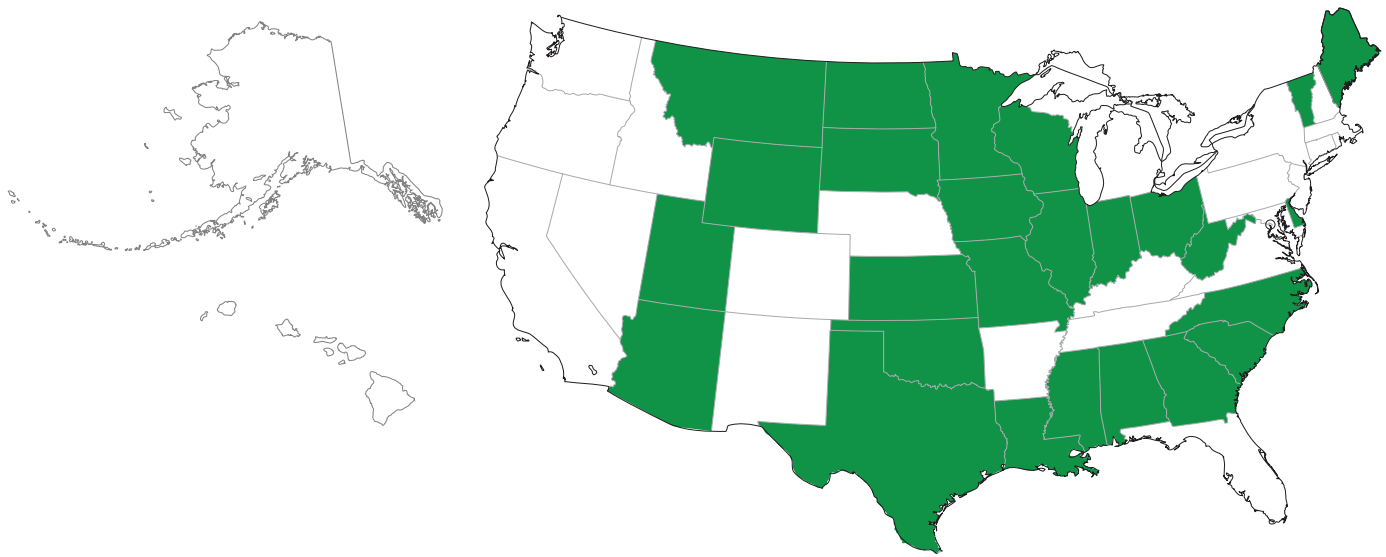


Figure 3. The 26 states that had state inspection programs for meat as of June 11, 2013.

of the plants operated for the sole purpose of handling animals, meat and processing for their own company such as Tyson, Koch Foods, Pilgrim's Pride, Sara Lee Foods, Swaggerty Sausage and Wampler's Farm Sausage. Thirteen of the operations were determined to provide harvesting and processing services for farmers interested in direct marketing meat products from the animals they raised. The list of these 13 operations is provided in the educational fact sheet on the Center for Profitable Agriculture website:

<https://utextension.tennessee.edu/publications/Documents/D1.pdf>.

STATE - INSPECTED FACILITIES

Some states offer state inspection programs. State inspection programs must implement inspection requirements and protocols that are at least equal to federal inspection requirements. The cost of operating a state-inspected meat program is the responsibility of the state government.

While Tennessee does not have state inspection, there are 26 states that do provide state inspection. The 26 states currently listed on the USDA FSIS website as having state inspection programs for meat are identified in Figure 3. A listing provided by USDA FSIS of the states without state inspection programs is identified in Figure 4.

"State inspection" programs must be authorized by USDA and undergo at least annual comprehensive reviews of slaughtering, preparation, processing, storage, handling

and distribution. Meat from state-inspected plants can be sold only within the state that provided the inspection and interstate sales of meat from state-inspected plants is prohibited (except in states that may be involved in a pilot program allowing interstate meat sales from state-inspected plants).

Under the 2008 Farm Bill, provisions were approved to implement a pilot program to make it possible for the meat from some state-inspected plants to be sold in interstate commerce (across state lines). The system allows USDA to approve meat and poultry processing establishments that operate under state inspection programs and want to sell their products across state lines to participate in the program. The program is limited to state-inspected operations with up to 25 employees.

Meat and poultry inspected under the program will have a federal mark of inspection. Under the program, a USDA employee will be designated as the state coordinator for a state-inspected program and will oversee the training and inspection activities of the state agency personnel. The program is often referred to as a hybrid inspection program because of the close USDA oversight and training of state-inspection programs and state employees. In August 2012, Ohio was the first state to receive approval from the USDA to operate under the hybrid program and allow interstate shipment of state-inspected meat.

Meat products from most state-inspected facilities — facilities not operating under the new hybrid system — will still carry a mark of state inspection and cannot be sold outside the state in which the inspection was provided. This

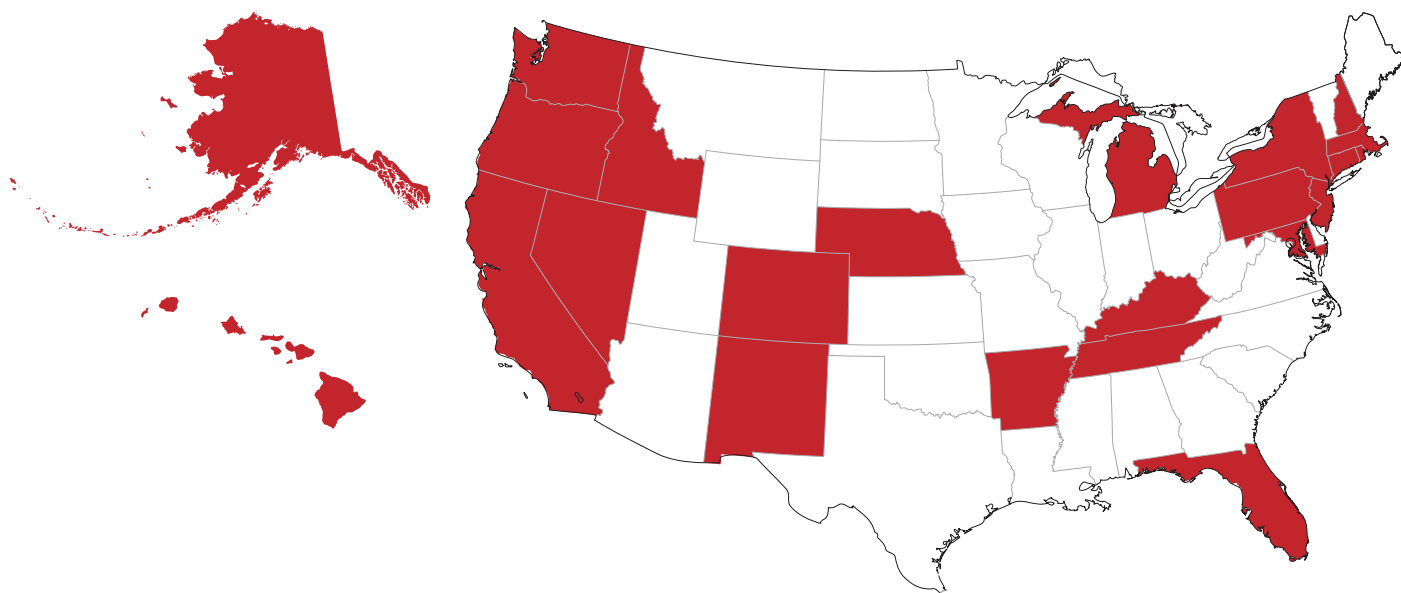


Figure 4. The 24 states that did not have state inspection programs for meat as of June 11, 2013.

means that the meat from most state-inspected operations may not be sold across state lines and cannot be sold online, by mail or in any other way shipped out of state.

has federally inspected operations and state-inspected operations. North Carolina has federally inspected operations, state-inspected operations and TA facilities.

TALMADGE - AIKEN PLANTS

TA plants refer to those facilities that operate under the Talmadge-Aiken Act of 1962. The Talmadge-Aiken Act allows the coordination of state and federal food safety guidelines. The act allows trained inspectors who are state employees to staff meat packing plants with USDA inspection privileges. A "TA plant" operates as a "federally inspected" facility and meat from such a plant will bear the USDA Inspection Legend and can be sold across state lines. According to eXtension, as of 2009, the nine states that cooperatively operate programs under the authority of the Talmadge-Aiken Act are Alabama, Georgia, Illinois, Mississippi, North Carolina, Oklahoma, Texas, Utah and Virginia.

HARVESTING AND PROCESSING FACILITIES FROM WHICH MEAT CAN BE SOLD IN TENNESSEE

For meat producers considering a value-added meat business in Tennessee, it is important to realize that Tennessee does not have state inspection nor TA plants. In Tennessee, a federally inspected facility is the only type of approved meat processing facility from which meat can be sold. Other states have a variety of federally approved harvesting and processing facilities. For example, Alabama

CUSTOM - EXEMPT HARVESTING AND PROCESSING OPERATIONS

Custom-exempt operations are significantly different from federally inspected plants. In December 2009, there were 164 custom-exempt livestock harvesting and meat processing plants registered with the Tennessee Department of Agriculture. A listing of these operations is available on the Center for Profitable Agriculture website at: <https://tiny.utk.edu/ag/operations>.

Compared to previous definitions and explanations of federally inspected plants, state-inspected plants and TA plants in this publication, custom-exempt facilities represent a fourth classification of harvesting and processing operations. Custom-exempt facilities are not federally inspected plants, not state-inspected plants and are not TA plants. Custom-exempt operations only harvest and process for the owner of the animal.

Custom-exempt operations may provide custom services for livestock owners as well as hunters of wild game. Because these plants provide custom services for the owner of the animal, the meat is the legal property of the person who owns the animal and is prepared for the exclusive use of the animal owner. The meat can be served only to the non-paying family, guest and

Table 1.

COMPARISON OF AVAILABILITY AND SALES ALLOWED FROM
VARIOUS HARVESTING AND PROCESSING OPERATIONS

Type of Harvesting and Processing Facility	Currently Available In Tennessee?	Can Meat Be Sold?
Federally inspected Facilities	Yes	Yes
State-inspected Facilities	No	Only in-state
Talmadge-Aiken Plants	No	Yes
Custom-exempt Harvesting and Processing Operations	Yes	No

employees of the owner of the animal — **meat from a custom-exempt facility cannot be sold.** Custom-exempt operations are exempt from continuous, animal-by-animal inspection; however, they must still be permitted by the Tennessee Department of Agriculture and are occasionally inspected for sanitation procedures, packaging, handling and storage of product. Custom-exempt operations must register with USDA and are subject to federal humane slaughter requirements and provisions, but the animals themselves are not inspected for disease. Custom-exempt facilities are inspected by USDA two to four times each year for sanitation and facilities compliance.

Because meat from a custom-exempt harvesting and processing facility is only for the owner of the animal and their non-paying guests and employees, meat from these facilities is not technically allowed to be given or donated to others by the animal owner. A live animal may be gifted or donated for custom harvesting or processing, but the meat from the animal is only allowed for consumption by the person receiving the animal and their non-paying guests and employees.

Specific language from the Federal Meat Inspection Act that addresses the exemptions for custom-exempt plants appears in Section 23, Title I of the Federal Meat Inspection Act. Some of the main points of the federal exemptions have been described and emphasized above. The exact wording from Section 23 (a) is included in Appendix A.

COMPARISON OF AVAILABILITY AND SALES
ALLOWED FROM VARIOUS HARVESTING AND
PROCESSING OPERATIONS

Table 1 is provided as a comparison of the availability and allowable product sales for the four harvesting and processing options discussed in this publication.

FACILITIES THAT OFFER MULTIPLE TYPES OF
HARVESTING AND PROCESSING SERVICES

Some facilities may offer both inspected and custom-exempt services. Operations that offer both federally inspected and custom-exempt services must have a grant of federal inspection from USDA and a custom-exempt permit from TDA. The Federal Meat Inspection Act requires facilities that provide both inspected and custom-exempt services to keep the products, containers, packages and meat from these services separated at all times. Many facilities that offer both services will provide them on different days of the week or will provide one service after a complete conclusion, shut-down and sanitation of the other. In facilities that offer multiple types of harvesting and processing services, a federal inspector must be on-site to ensure compliance with federal provisions (from live animal inspection to packaging and labeling) in order for meat products to bear the federal inspection legend.



ON - FARM HARVESTING AND PROCESSING

Many times, farmers who sell a live animal to a local customer for their home consumption will be asked (by the owner of the animal) to harvest the animal and process it. In fact, some farmers have attempted to sell a live animal and then offer to harvest and process the animal as a service. However, the act of harvesting and processing for someone else, for a fee or as a free service, is considered custom processing — and custom processing operations must be properly permitted and inspected by the Tennessee Department of Agriculture. The offer of such a service, either free of charge or for a fee, may be construed as an attempt to circumvent the requirements of custom-harvesting and processing. Custom-harvesting and processing operations must be properly permitted and occasionally inspected by the Tennessee Department of Agriculture, registered with the USDA and must comply with federal humane slaughter requirements.

Farmers who personally raise and own animals may harvest and process for their own consumption without permit and inspection. Livestock producers are cautioned that they cannot provide custom harvest and meat processing services for others without a permit from TDA (additional information regarding farm-based retail meat sales is available in UT Extension publication PB 1805, "Basic Regulatory Considerations for Retail and Non-retail Meat Sales in Tennessee."

CONCLUSION

The regulations and inspection requirements related to the meat industry in the U.S. can be confusing. In many cases, the complex rules and regulations that oversee today's meat industry have evolved since the early 1900s and are greatly influenced by the Wholesome Meat Act of 1967. Many of the regulations and inspections that impact the marketing and movement of meat products from the farm to the consumer are implemented at the federal level, but are enacted at the state and local levels. It is helpful for those involved in the meat industry to have a general understanding of the history of meat inspection regulations and clarification of harvesting and processing options for meat that can be sold in Tennessee.

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APPENDIX A

EXEMPTIONS

Sec. 23.

(a) The provisions of this title requiring inspection of the slaughter of animals and the

preparation of the carcasses, parts thereof, meat and meat food products at establishments conducting such operations for commerce shall not apply to the slaughtering by any person of animals of his own raising, and the preparation by him and transportation in commerce of the carcasses, parts thereof, meat and meat food products of such animals exclusively for use by him and members of his household and his nonpaying guests and employees; nor to the custom slaughter by any person, firm, or corporation of cattle, sheep, swine, or goats delivered by the owner thereof for such slaughter, and the preparation by such slaughter and transportation in commerce of the carcasses, parts thereof, meat and meat food products of such animals exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guests and employees, nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, derived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce

of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: Provided, That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis: Provided further, That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked 'Not for Sale' immediately after being prepared and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner.



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United States Department of Agriculture
National Institute of Food and Agriculture
and
Federal-State Market Improvement Program



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