Welcome to the Tennessee Value-Added Beef Webinar Series
Made Possible By:

Today’s Topics & Presenters
• Basic Regulations for Marketing Beef to Consumers and Wholesale

Session Overview
• Retail Meat Sales Regulations
• Non-Retail (Wholesale) Meat Sales Regulations
• Meat Sales from Retail Food Stores
• Tennessee Weights and Measures Regulations
• USDA FSIS Nutritional Labeling Regulations

Session Objectives
1. Increase awareness and understanding of regulations
2. Provide methods and information to comply
   – Decrease personal and business liability

Special thanks to . . .
- County Extension Agents
- Tennessee Department of Agriculture
  - Regulatory Services
  - Market Development
- United States Department of Agriculture
  - FSIS
  - OFO
  - DPEER
  - OPPD

First things first . . .
- “Harvesting.”
- “Who has Regulatory Authority?” is complicated.
- The “regulations” often depend on “how is it marketed” and “who is the customer?”
- Practices described are “technically correct.”
- Information is accurate to the extent possible at the time of publishing.

Contents of the publication . . .
- Retail Meat Permit
- Minimum Labeling Requirements
- Non-retail Meat Sales
- Frozen vs. Non-frozen products
- Sales from Retail Food Stores
- Live Animal Sales for Custom Harvesting

Retail Meat Permit . . .
- Animals must be harvested in a USDA-inspected facility with inspector on-site.
  - “properly packaged and labeled under federal inspection”
- Only about 12 USDA-inspected facilities in TN.
  - Prior communication is essential
  - Clear understanding of processing (cut sheet)
  - Discussion of timing (delivery, processing, pick up)

Retail Meat Permit . . .
- Issued by the TN Department of Agriculture.
- Allows for “retail” meat sales to household consumers.
- Covers meat handling, transportation and storage from the USDA-facility until it reaches the consumer.
  - Transportation
  - Storage
  - Handling
Retail Meat Permit . . .

- Covers meat *handling, transportation and storage* from the USDA-facility until it reaches the consumer.
  - Handling
  - Transportation
  - Storage

Meat must be “Properly packaged and labeled”

- Responsibility of the USDA-inspected facility
- Labeling:
  - Name and address - manufacturer, packer or distributor
    (*packed for ___” or “distributed by ___” are acceptable)
  - USDA Mark of Inspection -- Seal/Stamp
  - Net weight
  - Product name
  - Safe handling instructions

Steps involved (TDA Retail Meat Permit). . .

1. Contact TDA, Regulatory Services - Nashville (615-837-5193)
   -- “I’m interested in a farm-based retail meat permit.”
   -- Name, phone number and address.

2. TDA will notify inspector for the area.
   -- (guidelines will be sent if requested – page 11).

3. Inspector will schedule a consultation visit and/or inspection.

4. On-site inspection . . .
   -- Inspector will use a “Food Establishment Inspection” form (page 12)

5. “Application for permit” (page 13-14) will be completed by inspector if deemed “in compliance with requirements.”
   -- (includes review of the label).
   -- Permit to be mailed with $50 fee to TDA.

6. TDA will mail actual “permit” back to the farmer.

Tennessee Department of Agriculture
Farm Based Retail Meat Sales Guidelines
Ultimate question of inspection -

“Is the meat transported and stored in a safe and secure manner once it leaves the USDA facility until it gets to customer?”

- See “Food Establishment Inspection” Form (page 12)
- See “Farm Based Retail Meat Sales Guidelines” (page 11)

Farm-Based Retail Meat Sales

REMINDER:
- “retail meat permit” only allows for the sale of meat that has been properly packaged and labeled under USDA-inspection for sale to household consumers
- Sales may be made to household consumers at farmers markets, direct from the farm, via Internet, delivery....

Inspection:

- A freezer operated by inverter is acceptable as is a cooler/refrigerator/frezer that maintains wholesomeness
- Storage units must be:
  - dedicated to meat for sale
  - cleanable and in good repair
  - in secure location
  - away from potential sources of contamination
  - accessible for inspection
- Storage practices must prevent cross contamination (poultry)
- Thermometers are required in units to verify temperatures
- No re-freezing of product is permitted
- Hands and outer clothing of those handling meat must be clean

Form Continued

Form Continued
Farm-Based Retail Meat Sales

Examples . . .
Examples . . .
Examples . . .

Is the meat transported and stored in a safe and secure manner once it leaves the USDA facility until it gets to customer?
Non-Retail Meat Sales

Sales other than to the household consumer such as to:

- Grocery Stores
- Other Retailers
- Restaurants
- Hotels
- Institutions

Non-Retail Meat Sales

- TDA Retail Meat Permit does not allow for sales to restaurants and grocery stores (it only allows sales to household consumers for their consumption).
- Non-retail meat sales require "registration" with USDA.
  - FSIS Form 5020-1, "Registration of Meat and Poultry Handlers" (page 16-17)
  - "wholesaler"
- Submit Form 5020-1 to USDA.
- Form will be returned with "registration number."
- USDA, FSIS, OPEER investigator may make an onsite inspection
  - Inspect to ensure products not adulterated
  - Inspect for food defense issues

- [Image of a document with a form]
Non-Retail Meat Sales

- **Inspection Issues**
  - Storage and handling practices
  - All records
    - tracking of inbound and outbound movement of non-retail sales
  - Pest control practices and records
  - Food security plans
  - Sanitary procedures and conditions
    - inside facility and general surroundings
  - Packaging and labeling
  - Handling of inedible products
  - Hazard controls
  - Discussion of product recall plans

- **Food Defense Issues**
  - Inside and outside security
  - Employee/visitor plan
  - Hazardous materials plan
  - Protection of food/food ingredients
  - Access to shipping and receiving areas
  - Check of inbound products

Frozen and Non-frozen Products

- Meat offered for sale must be packaged and labeled in a USDA-inspected facility.
- Most products are frozen.
  - Preferred for safety, handling and storage.
  - Often preferred by facility, retailer and customer.
- Some regulatory oversight may differ for fresh and frozen products.

Meat Sales from Retail Food Stores

- Retail Meat Permit is different from a Retail Food Store (grocery store).
- Regulatory and inspection process differs.
- Meat must come from a USDA-inspected facility.
- Retail food stores with cutting/processing area may make sales to “some” non-retail customers (less than 25% of meat sales).

In Summary . . .

- Retail Meat Permit
- Minimum Labeling Requirements
- Non-retail Meat Sales
- Frozen vs. Non-frozen products
- Sales from Retail Food Stores
- Live Animal Sales for Custom Harvesting

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QUESTIONS??

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Weights and Measures Regulations

- Tennessee Code Annotated § 47-26-901 to 926
- Administered by the Tennessee Department of Agriculture Regulatory Services Division
- Allowable units of sale
- Related labeling
- Legal for trade scale testing and licensing

Allowable Units of Sale

- Meat sales must be conducted by net weight
  - Weight of product only without container/packaging
- Can be expressed in metric or English
  - Typically in pounds and ounces

Determining Weight

- Can be weighed at any location (at processing facility, at farm, at farmers market, etc.)
  - Must be weighed on a licensed, legal for trade scale
  - Must be net weight

Labeling Weights

Random Weight Items
- Packages of all different weights
- Label has to show
  - Net Weight
  - Price Per Pound
  - Total Price

Standard Weight Items
- All packages of product are the same weight
- Label only has to have
  - Net Weight

Labeling Weights

- Must be shown on principle display panel
- If sale price offered
  - Recommend printing new sticker with new $/lb and total price
  - Place over top of original sticker
Violations

• No weight on packages
• Short weight – actual net weight lower than labeled
• Consequences of Violations
  1. Stop Sale Order
     • Cannot use or sell until in compliance
     • Warning letter issued with what needs done
  2. Civil Penalty
     • Fined up to $500 per violation
     • Operator can pay it, request informal hearing or take it to court

Scales

• Legal for trade commercial scale required
• Must be tested and licensed/permited annually by TDA
• May test more if complaint or previous problem
• Permit for scale with a weighing capacity less than or equal to 2,500 lbs costs $5/yr
  – > 2,500 lbs capacity = $75/year

Problems with Scales

• TDA provides a reasonable time to fix an identified problem (up to 30 days)
• TDA provides Notice of Violation
• Producer finds registered scale company approved by TDA to repair
• Company completes notice and sends to TDA

Marketing in Other/Multiple States

• Need to check on weights and measures regulations in each state

Tennessee Contact

• Bob Williams
  Weights and Measures Administrator
  Tennessee Department of Agriculture Regulatory Services
  Robert.G.Williams@tn.gov
  (615) 837-5109

FSIS Nutritional Labeling Rule

• Effective March 1, 2012
• Applies to sale and/or production of
  – Major Cuts
  – Single Ingredients
  – Raw
  – Meat and Poultry Products
  – Sold directly to consumers
FSIS Nutritional Labeling Rule

• Requires either
  – Nutritional labeling on packaging of major cuts placed by inspected processor or retailer that does further processing OR
  – Nutritional information provided at Point of Purchase (POP)
    • Signs, posters, brochures, etc.

Nutritional Labeling for Ground or Chopped Products

• Ground or chopped product must include nutritional labeling on the package unless
  – Business employs fewer than 500 people and sells less than 100,000 pounds of ground product per year
  – Based on the producer of the final product
    – Typically the USDA-Inspected Processing Facility
  – Label required in all cases if any nutritional claims made (lean, reduced fat, etc.)

Nutritional Labeling Additional Resources

• NC Choices Factsheet
• USDA FSIS
    – Text of Rule
    – FAQs
    – AskFSIS

Nutritional Facts

<table>
<thead>
<tr>
<th>Product Description</th>
<th>Calories</th>
<th>Total Fat</th>
<th>Total Saturated Fat</th>
<th>Total Cholesterol</th>
<th>Sodium</th>
<th>Total Carbohydrate</th>
<th>Dietary Fiber</th>
<th>Protein</th>
<th>Carbohydrates</th>
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<td>225</td>
<td>39</td>
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</tr>
</tbody>
</table>

FSIS Nutritional Labeling Rule

• Resources Available Online
  – Example Nutritional Panels

• Example for “Beef, ground, 80% lean/20% fat, raw”
QUESTIONS??

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Take Home Messages

• Regulations exist for meat sales
• Regulations differ depending upon sales to end user or non-retail customers and by state
• Complying with regulations may decrease your personal and business liability risk

Evaluate Today’s Webinar

• Please take a few minutes to complete the short online survey at

http://www.surveymonkey.com/s/GSTNX8T

Special thanks again to our funding partners:

Additional Resources
Online Discussion Forum

• TN Value-Added Beef Google Group
  — To join, send e-mail to...

  TN-Value-Added-Beef
  +subscribe@googlegroups.com

Join Us for the Next Webinar

• November 27, 2012
• 6:30 pm Central/ 7:30 pm Eastern

• Pencil Out Your Potential and Plan for Success: Conducting Financial Analysis and Developing a Business Plan

• Hal Pepper, Center for Profitable Agriculture

• Slides and archived versions of all webinars will be made available on https://ag.tennessee.edu/cpa/Pages/VA%20Beef.aspx