Basic Retail and Wholesale Meat Sales Regulations

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2015
Food regulations can be confusing and frustrating!
Session Overview

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

1. Increase awareness and understanding of regulations

2. Provide methods and information to comply
   - Decrease personal and business liability
Basic Regulatory Considerations for Retail and Non-Retail Meat Sales in Tennessee

Guidance for Farmers Direct Marketing Beef, Pork, Lamb and Goat
Food Products Regulated for Customer Safety

Regulation

Least

Smallest

Potential for Harm

Most

Largest
Food Product Regulation

- Multiple agencies involved
- Agency with regulatory authority “depends”
  - The product
  - How it moves through commerce
Meat Sales Regulations

- Meat = potentially hazardous food
- What does that tell us?
Regulatory Authority? 
Two “BASIC” Marketing Options

I. “Retail meat sales” to end/household consumers

II. “Non-retail meat sales” to grocery stores, restaurants for resale
Farm-Based Retail Meat Sales
Farm-Based **Retail Meat Sales**

- Sales to household consumer
- Often at farmers market, roadside stand, delivery, mail, on-farm retail...

- Regulatory authorities
  - Tennessee Department of Agriculture
  - United States Department of Agriculture
Farm-Based **Retail Meat** Sales

- Requires
  - TDA Retail Meat Permit
  - Special Label Claims Compliance
  - Weights and Measures Regulations
  - USDA FSIS Nutritional Labeling
Farm-Based Retail Meat Sales

- TDA Retail Meat Permit required
- $50 annual fee
- Inspection of facilities, storage, transportation units
- Permit posted where meat sold
Farm-Based Retail Meat Sales

- Meat must be properly packaged and labeled under USDA inspection
- ~12 USDA-inspected plants in TN
**Farm-Based Retail Meat Sales**

- Processor relationships challenging
- **Keys**
  - Prior communication
  - Clear understanding of processing (cut sheet) and costs
  - Discussion of timing (delivery, processing, aging, pick up)
Farm-Based Retail Meat Sales

Properly packaged and labeled

• Responsibility of the USDA-inspected facility
• Label requirements
  1. Product name
  2. Name and address - - manufacturer, packer or distributor
  3. USDA Mark of Inspection and Establishment Number
  4. Net weight
  5. Safe handling instructions
  6. Ingredients (if more than one)
Safe Handling Instructions

This product was prepared from inspected and passed meat and/or poultry. Some food products may contain bacteria that could cause illness if the product is mishandled or cooked improperly. For your protection, follow these safe handling instructions.

- Keep refrigerated or frozen.
- Thaw in refrigerator or microwave.
- Keep raw meat and poultry separate from other foods.
- Wash working surfaces (including cutting boards), utensils, and hands after touching raw meat or poultry.
- Cook thoroughly.
- Keep hot foods hot. Refrigerate leftovers immediately or discard.
Farm-Based Retail Meat Sales

- Additional label requirements from state weights and measures regulations
  - For non-frozen, random weight packages only

7. Price per pound
8. Total price
Farm-Based **Retail Meat** Sales

- **Option label components**
  1. Code date or lot number
     - Recommended in case of recall
  2. Special statements and claims
     - Require USDA approval
Special Claims

- Often include
  - Breed claims
  - Third-party raising claims
  - Health claims
  - Terms like natural, grass fed, corn fed, no added hormones or raised without antibiotics

- Require “sketch approval”
- USDA FSIS form 7234-1 or online Label Submission and Approval System
Special Claims

- Include a drawing or printers proof of label
- Some require supporting documentation
  - Written protocol
  - Copy of certification
  - Signed affidavit
- Must receive approval even if used as part of farm name on the label
- More at fsis.usda.gov/labels
Farm-Based **Retail Meat Sales**

- 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
Farm-Based **Retail Meat Sales**

- Storage practices must prevent cross contamination (poultry)
- Thermometers are required in units to verify temperatures
  - Refrigerated at 41 degrees F or below
  - Frozen must be hard frozen
  - No re-freezing of product is permitted
- Hands and outer clothing of those handling meat must be clean
Farm-Based **Retail Meat** Sales

Transport & Storage Example 1

- Freezer operated by inverter on pick-up truck
- Walk-in cooler in barn
- Freezer for farmers market sales
Farm-Based **Retail Meat** Sales

**Transport & Storage Example 2**

- Freezer operated by inverter on pick-up truck
- Same freezer rolled onto porch at farm
- Same freezer rolled onto truck for farmers market sales and home delivery
Steps Involved to Obtaining Retail Meat Sales Permit

1. Contact TDA, Consumer & Industry Services, Food and Dairy at 615-837-5193

Ask to speak to the “Outreach Coordinator”
Steps Involved to Obtaining Retail Meat Sales Permit (continued)

2. Inform OC you are “interested in a farm-based retail meat permit”

Outreach Coordinator will:

• Discuss guidelines and steps to prepare for inspection

• Ask questions to determine where you are in the process of being ready for inspection

• Ask for your name, address and phone number
Steps Involved to Obtaining Retail Meat Sales Permit (continued)

3. When you are ready for inspection, notify Outreach Coordinator who will contact the area inspector

Inspector will contact you to schedule an on-site inspection
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?”
4. Inspector will use Food Establishment Inspection Form and review product label

- If deemed in compliance, inspector will complete “application for permit”
Steps Involved to Obtaining Retail Meat Sales Permit (continued)

5. Producer will mail application with fee (currently $50) to TDA

6. Once received, TDA will issue and mail Retail Meat Sales Permit to producer
Farm-Based **Retail Meat** Sales Review

- TDA “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

- This permit does **not** allow for non-retail sales
Weights and Measures Regulations

- Tennessee Code Annotated § 47-26-901 to 926
- Administered by the Tennessee Department of Agriculture Consumer & Industry 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 for **Random Weight Non-frozen Items**

- Required on label in principle display panel
  - Net weight
  - Price per pound
  - Total price
Labeling for **Random Weight Frozen** Items

- Required on label
  - Net weight
- Price per pound must be
  - Legible and readable by consumers
  - Conspicuously posted in close proximity to items
- Total price shall be calculated at point of sale
Labeling for **Standard Weight**
**Non-frozen** and **Frozen** Items

- Required on label
- Net weight
- Price indicated by signage
Violations of Weights and Measures Regulations

- 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. Fined up to $500 per violation
   - Operator can pay it, request informal hearing or take it to court
Approved Scales

- Legal for trade commercial scale required
- Must be tested and licensed/permitted 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
Tennessee Contact

• Bob Williams
  Weights and Measures Administrator
  Tennessee Department of Agriculture
  Consumer & Industry 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
Applicable Products

- Top 40 major meat and poultry cuts
  - Beef
  - Pork
  - Lamb
  - Poultry

- Goat not included
  - Verified through askFSIS 7/30/14
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.
FSIS Nutritional Labeling Rule

- **Resources Available**
  - Charts/posters available for download and printing
  - Simple to use for POP
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.)
FSIS Nutritional Labeling Rule

• Resources Available
  Example Nutritional Panels

• Example for “Beef, ground, 80% lean/20% fat, raw
FSIS Nutritional Labeling
Additional Resources

• NC Choices Factsheet
  • http://sfc.smallfarmcentral.com/dynamic_content/uploadfiles/882/Nutritional_Labeling.pdf

• USDA FSIS
  • http://www.fsis.usda.gov/wps/portal/fsis/topics/regulatory-compliance/labeling/labeling-policies/nutrition-labeling-policies/nutrition-labeling
  • Text of Rule
  • FAQs
  • AskFSIS
Retail Meat Sales???
Non-Retail Meat Sales
Non-Retail Meat Sales

Sales other than to the household consumer:

- Grocery Stores
- Other Retailers
- Restaurants
- Hotels
- Institutions
Non-Retail Meat Sales

- Require registration as a wholesaler with USDA

1. Contact Marshall Williams to request an on-site consultation
   - FSIS Office of Investigation, Enforcement and Audit at marshall.williams@fsis.usda.gov or (615) 736-7703
Non-Retail Meat Sales Inspection Issues

- Transportation, 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
Non-Retail Meat Sales
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
Non-Retail Meat Sales

- Inspector will provide FSIS Form 5020-1 during site visit

2. Only after the inspector visits, complete and submit FSIS Form 5020-1, “Registration of Meat and Poultry Handlers”
REGISTRATION OF MEAT AND POULTRY HANDLERS

U.S. DEPARTMENT OF AGRICULTURE
FOOD SAFETY AND INSPECTION SERVICE
OFFICE OF PROGRAM EVALUATION, ENFORCEMENT, AND REVIEW

DISTRIBUTION: RETAIN ONE COPY FOR YOUR FILES, AND RETURN ONE COPY OF THIS REPORT TO:
USDA, FSIS, OFFICE, EED
14th & Independence Ave. SW
Room 300, Congressional Quarters Building
Washington, D.C. 20250-0000

NOTICE TO MEAT AND POULTRY HANDLERS

Unless you operate under Federal inspection, you are required by law to register with the U.S. Department of Agriculture if you deal in meat or poultry products in or for commerce. (The term "commerce" means commerce between any State, any territory, or the District of Columbia, and any place outside thereof; or within any territory not organized with a legislative body, or the District of Columbia, or within a State or Territory that has been designated for 21 U.S.C. 643 and 21 U.S.C. 657 because such State or Territory does not operate a program of its own.

INSTRUCTIONS: Complete items 1 through 9 and send both copies to the address in the upper right corner. USDA will return one copy of the completed registration to the registrant.

1. NAME AND MAILING ADDRESS OF REGISTRANT (Include Zip Code):

PHONE: [ ] E-MAIL: [ ]

2. FORM OF ORGANIZATION (Check or specify):
    [ ] INDIVIDUALLY OWNED
    [ ] INCORPORATED
    [ ] PARTNERSHIP
    [ ] COOPERATIVE ASSOCIATION
    [ ] LIMITED LIABILITY CORPORATION
    [ ] OTHER (Specify):

3. NATURE OF BUSINESS (Check one):
    [ ] MEAT OR MEAT PRODUCTS
    [ ] POULTRY OR POULTRY PRODUCTS
    [ ] BOTH MEAT AND POULTRY PRODUCTS
    [ ] OTHER:

4. CHECK EACH TYPE OF BUSINESS YOU ARE ENGAGED IN:
    [ ] DOMESTIC BROKER
    [ ] IMPORT BROKER
    [ ] RENDERER
    [ ] ANIMAL FOOD MANUFACTURER
    [ ] PUBLIC MARKET OWNER
    [ ] WHOLESALE
    [ ] OTHER:

5. Address(es) of subsidiaries, branches, or divisions of your organization which engage in business of the type identified in Item 4. Include trade or other names if different from your organization. (If none, so state)

6. TYPED OR PRINTED NAME:

7. TITLE:

8. SIGNATURE:

9. DATE:

NOTICE OF REGISTRATION BY USDA (COMPLETED BY USDA OFFICIAL)

a. REGISTRATION NO.
b. DATE OF REGISTRATION
c. TITLE OF USDA OFFICIAL
d. SIGNATURE OF USDA OFFICIAL

FSIS FORM 5020-1 (02/2007) REPLACES FSIS FORM 5020-1 (06/12/2004), WHICH MAY BE USED UNTIL EXHAUSTED.
Non-Retail Meat Sales???
Meat Sales from Retail Food Store
Meat Sales from Retail Food Stores

- Different regulation and process from Retail Meat Sales Permit
- Licensed and inspected by TDA
- Meat must come from a USDA-inspected facility
- Can be packaged in bulk form for further processing/packaging at retail food store
Meat Sales from Retail Food Stores

- Labeling of further processed/packaged items
  - No USDA mark of inspection
  1. Product name
  2. Net weight
  3. Price
  4. Name of retailer
  5. USDA Safe Handling Instructions
  6. Ingredients (if more than single ingredient)
  7. Lot number or code date (recommended)
Meat Sales from Retail Food Stores

• Majority of sales “retail” to household consumers

• With cutting/processing area may make sales to “some” non-retail customers (hotel, restaurant and institutions only)
  • Limited to
    • <25% of meat sales up to dollar limitation per year set by USDA
  • $76,900 for meat and meat products and $58,200 for poultry products in 2015
Meat Sales from Retail Food Stores

- If do more wholesale
  - TDA RFS permit + USDA inspection
- If selling to other grocery or retail stores
  - USDA inspection required
• Value-Added Beef Google Group
• Value-Added Beef Program Area Website
  http://tiny.utk.edu/VABeef
Take Home Messages

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

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