A manazzada	March 7, 2000	
Approved:	Watch /, 2000	
T	P = 14 (201)	

Date

#### MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on March 1, 2000, in Room 423-S of the Capitol.

All members were present except:

Representative Aurand - excused

Representative Compton - excused Representative Flower - excused Representative Larkin - excused Representative O'Brien - excused Representative Schwartz - excused

Committee staff present:

Raney Gilliland, Legislative Research Department

Gordon Self, Revisor of Statutes Office Kay Scarlett, Committee Secretary

Conferees appearing before the committee:

Representatives of the Kansas Meat Processors Association

Ron Duis, Salina Connie Halls, Sabetha Larry Schuetz, Atchison John Yoder, Yoder

Dr. Elizabeth Boyle, Associate Professor and Extension Specialist in Meats, KSU Department of Animal Sciences and Industry

Dr. James Marsden, University Distinguished Professor in Meat Science, KSU Department of Animal Sciences and Industry

Connie Fischer, Director, Agriculture Products Development Division, Kansas Department of Commerce and Housing

Dr. Lyman Kruckenberg, Director, Meat & Poultry Inspection Program, Kansas Department of Agriculture

Others attending:

See attached list

Chairman Johnson opened discussion on the concerns and assistance available to small meat processing plants in Kansas.

Ron Duis, Salina, speaking for the Kansas Meat Processors Association, discussed concerns of small meat processors in the state. They would like to see all meat processing facilities unified under one set of regulations and interstate shipment of state-inspected meat products. Limited markets, internet sales, sales tax on food, and increased incentives for state institutions to buy from small meat processors were identified as areas of concern. Removal of by-products by rendering companies has also become a problem for many small meat processors. Mr. Duis noted that a limited labor market, workers compensation rates, and affordable health insurance are business concerns facing small locker plants. Ron Duis, Salina; Connie Halls, Sabetha; Larry Schuetz, Atchison; and John Yoder, Yoder, answered committee questions.

Dr. Elizabeth Boyle, Associate Professor and Extension Specialist in Meats, KSU Department of Animal Sciences and Industry, provided a summary of HACCP, food safety and value-added support programs and assistance that K-State, in cooperation with the Kansas Department of Agriculture, Kansas Department of Commerce and Housing, and USDA, has provided to the Kansas meat and poultry industry so they may adapt and comply with required changes in government regulations. (Attachment 1)

Dr. Boyle provided information on the "Branding Your Beliefs" program offered by Lorentz Meats and Land O'Lakes to provide livestock producers and small meat processors the tools they need to capitalize on marketing opportunities to increase the profitability of their operations. She reported that over fifty farms in the Cannon Falls, Minnesota, area have completed the program. The program's goal is to generate economic growth in rural communities. (Attachment 2)

#### CONTINUATION SHEET

Dr. James Marsden, University Distinguished Professor in Meat Science, KSU Department of Animal Sciences and Industry, discussed HACCP-based microbiological control requirements that must be met by meat processing plants; including, Salmonella performance standards; plant testing for generic E. coli to verify process control; USDA monitoring of E. coli 0157:H7; and USDA monitoring for Listeria monocytogenes and Salmonella in cooked, ready-to-eat products. K-State is helping small meat processors identify and implement effective anti-microbial technologies. He reported that current K-State research projects are addressing steam pasteurization for small volume plants, irradiation technologies and chemical treatments that would be available to all plants regardless of size. (Attachment 3)

Connie Fischer, Director, Agriculture Products Development Division, Kansas Department of Commerce and Housing, presented an overview of the financial assistance the Kansas Department of Commerce and Housing has given to meat processors throughout the state. She outlined future activities of the Agriculture Products Development Division that will have a positive impact on Kansas meat processors and producers: (Attachment 4)

- 1. Develop reference materials for meat processors and producers who are interested in marketing;
- 2. Educate state meat inspectors on the marketing and business assistance available at KDOC&H by attending their next staff meeting;
- 3. Enhance outreach efforts to small and medium sized processors by attending their annual meeting and making plant visits throughout the year; and
- 4. Continue to provide financial and technical support to the industry.

Dr. Lyman Kruckenberg, Director, Meat & Poultry Inspection Program, Kansas Department of Agriculture, reported that there are 92 state-inspected meat processing plants and 28 custom-only plants in Kansas. He believes the biggest boost to small processing plants would be to allow interstate shipment of state-inspected meat.

Mary Jane Stattelman, Assistant Secretary, Kansas Department of Agriculture, reported that the department is in contact with the state's federal congressional delegation concerning interstate shipment of state-inspected meat. She encouraged everyone to contact their federal representatives on this issue.

Representative Dan Thimesch distributed a news release dated December 30, 1999, from the Minnesota Department of Agriculture concerning their new state meat inspection program (<u>Attachment 5</u>); a copy of an editorial by Solveig Torvik in the Seattle Post-Intelligencer (<u>Attachment 6</u>); Montana Big Sky Beef newsletters (<u>Attachment 7</u>); and a suggested outline of a resolution empowering Kansas producers to market their own meat. (<u>Attachment 8</u>)

Minutes of the February 21 meeting were distributed. Chairman Johnson asked members to notify the committee secretary of any corrections or additions prior to 5:00 p.m., March 2, or they will be considered approved as presented

The meeting adjourned at 5:02 p.m. The next meeting is scheduled for March 6, 2000

## HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: March 1, 2000

NAME	REPRESENTING		
L. Kruckenberg DUM	KDA		
L. Kruckenberg DUM SURRICHSON	K-SME		
Moerty Vanier	KSU		
Moerty Vanier Steven Grafiam	K-State Research & Externes		
Fred Sohwine	KDOC É H		
Leslie Kaufman	Ks Farm Bureau		
Liz Boyle	Ksu		
CJordan	KDA		
Mary Jan Sattelman god meats Jun myoden	KSA		
John Meats	mead fland own		
Dale Love	Livestock Operator		
Nina Atencio	Juhn Buttenberg for KAPC		
Brad Heidebrecht	H+H Meats-Hesston		
Paul Johnson	KCC		
Dag Wareham	KGFA/KFCA		
Allei Jinison	Ks Grain + Teid A 58h.		
Tol Leber	Ho Co-op Council		
Ron White	KDA		
Connie Haller	Ybels' Meat Proc Sabetha		

## HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: March 1, 2000

NAME	REPRESENTING			
Ron Duis Connic Fischer	Duis Meat Processing; Inc. Knoct H - Ag. Division Senate  16-State			
Christine Downey Ji'm MMSDEW	16-State			



Fax: 785-532-7059

Cooperative Extension Service K-State Research and Extension Department of Animal Sciences and Industry 241 Weber Hall Manhattan, KS 66506-0201 785-532-6131

Testimony before the House Agriculture Committee on Assistance to Small Kansas Meat Processing Plants

Elizabeth Boyle, Ph.D.
Associate Professor and Extension Specialist, Meats
Kansas State University

March 1, 2000

Kansas State University Agricultural Experiment Station and Cooperative Extension Service

K-State, County Extension Councils, Extension Districts, and U.S. Department of Agriculture Cooperating.

All educational programs and materials available without discrimination on the basis of race, color, religion, national origin, sex, age, or disability.

House Agriculture Committee March 1, 2000 Attachment 1



Members of the committee, I am Liz Boyle, an Associate Professor and Extension Specialist in Meats at Kansas State University. In my position at K-State, I work closely with small and very small state and federally inspected meat and poultry processing businesses. I am here today to provide a summary describing HACCP, food safety and value-added support programs and assistance that K-State, in cooperation with the Kansas Department of Agriculture, Kansas Department of Commerce and Housing, and USDA, have provided to the Kansas meat and poultry industry so they may adapt and comply with required changes in government regulations.

First, I will begin with a brief summary of the events that led to the pathogen reduction rule. In January 1993, more than 500 persons were sickened and four children died from an outbreak of *E. coli* 0157:H7 in the Pacific Northwest. It was determined that this outbreak was caused by undercooked ground beef that had been fully inspected and approved by USDA's Food Safety and Inspection Service. In Congressional Testimony following the outbreak, then Secretary of Agriculture, Mike Espy, pledged to reform the federal meat inspection system, changing its focus from animal disease detection to one that address the risks posed by foodborne pathogens, thereby better protecting public health.

This led USDA to propose the implementation of new food safety programs in all federally inspected establishments. Following the comment period to the proposed rule, the USDA FSIS published its Final rule on Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems on July 25, 1996. The rule mandated requirements in efforts to reduce the occurrence and numbers of pathogens on meat and poultry products, reduce the incidence of foodborne illness associated with consuming these products, and provide a framework for modernization of the meat and poultry inspection system.

The new regulations required establishment of four new programs. The first program required that each establishment develop and implement written sanitation standard operating procedures (SSOP's). Secondly, regular microbial testing was required for slaughter establishments to verify the adequacy of a plants' process controls for the prevention and removal of fecal contamination and associated bacteria. All slaughter plants and plants producing raw ground products must meet pathogen reduction performance standards for *Salmonella* for the third program. Lastly, all meat and poultry plants had to develop and implement Hazard Analysis and Critical Control Point (HACCP) programs. These programs were phased in over several years. They have now been implemented in all large, small and very small federally and state inspected meat and poultry establishments.

#### HACCP and Food Safety Programs and Assistance:

◆Getting a Jump Start on HACCP workshops
Offered in Wichita, Manhattan, Hays, Salina, Overland Park, February/March 1996
31 meat and poultry processors representing 11 plants from 11 counties

◆Sanitation Standard Operating Procedures workshops

Offered in Manhattan, October 1996

59 meat and poultry processors representing 35 plants from 29 counties

2 KDA inspectors and 1 USDA/FSIS personnel

Offered in Manhattan, January 1997

15 meat and poultry processors representing 10 plants from 9 counties

**♦**E. coli Carcass Sampling Training workshops

Offered in Manhattan, July 1997

43 meat and poultry processors representing 35 plants from 31 counties

50 KDA inspectors and 1 other

◆Sanitation Training Seminar: The "Why" Behind Saniation

Offered in Manhattan, February 1998

46 meat and poultry processors representing 31 plants from 25 counties

51 KDA inpectors

◆K-State sponsored a USDA FSIS HACCP Demonstration workshop

Offered in Manhattan, April 1998

30 meat and poultry processors representing 24 plants from 20 counties

1 KDA inspector

♦One-Day HACCP Update Workshop

Offered in Manhattan, November 1998

10 meat and poultry processors representing 6 plants from 6 counties

♦ International HACCP Alliance accredited three-day HACCP workshops. In cooperation with the Kansas Department of Agriculture, and the Kansas Department of Commerce and Housing, funding was obtained to support one-half the registration fee for Kansas processors to attend HACCP training workshops in an effort to offset expenses incurred by processors.

Offered in Manhattan, May 1997

20 meat and poultry processors representing 12 plants from 11 counties

Offered in Manhattan, January 1998

17 meat and poultry processors representing 15 plants from 13 counties

9 KDA inspectors

Offered in Dodge City, March 1998

19 meat and poultry processors representing 15 plants from 15 counties

1 KDA inspector and 1 KDA vet

Offered in Manhattan, August 1998

39 meat and poultry processors representing 24 plants from 20 counties

Offered in Parsons, September1998 17 meat and poultry processors representing 10 plants from 9 counties

Offered in Manhattan, January 1999
24 meat and poultry processors representing 19 plants from 16 counties
1 KDA inspector

Offered in Manhattan, May 1999 39 meat and poultry processors representing 24 plants

Offered in Manhattan, August 1999 24 meat and poultry processors representing 17 plants

♦ Funding from the Kansas Department of Agriculture and Kansas Department of Commerce and Housing provided support for an Extension Associate who was available for on-site assistance with HACCP plan development and implementation, and served as a liaison between meat and poultry processors and inspectors. Highlights include:

Assisted 80 plants, many more than once, including on-site assistance

Reviewed 63 HACCP plans for 17 plants

Participated in HACCP and food safety training workshops

Conducted 7-4½ day HACCP compliance training workshops for KDA meat and poultry inspection personnel

Conducted a 1½day HACCP training program for KDA meat and poultry inspection supervisors and veterinarians

Participated in meat and poultry inspection supervisors meetings, annual meetings

♦ An Extension Assistant was hired with funding from a USDA Fund for Rural America project to work on HACCP related projects. One of these projects involves developing a distance learning HACCP course. The purpose of this course will be to provide HACCP education and training to meat plant employees after the "rush" of HACCP training is completed to comply with implementation by January 2000. Other highlights:

Fact sheet and video on developing lotting and coding systems for meat and poultry facilities. This type of system is essential in the event of a recall. To expand the educational value of this information, the Kansas Department of Commerce and Housing provided \$6,000 in funding which allowed for the development of the video on lotting and coding.

Fact sheet on thermometer calibration and an accompanying laminated guide in English and Spanish to assist processors with setting up a standard operating procedure for calibration which is essential to a functioning HACCP program.

♦ A newsletter entitled Meat Processing News is distributed, on a quarterly basis, to Kansas meat and poultry processors. Provides information about processing meat products, current changes in government regulations, meat safety, especially HACCP, and other topics.

♦K-State has entered into a cooperative project with the University of Nebraska, University of Missouri and South Dakota State University to develop and provide audit and recall training and assistance to facilitate the success of maintaining HACCP programs in small and very small meat and poultry processing establishments. A brochure describing this program is attached.

#### Value-Added Assistance:

This K-State Research and Extension program in the Department of Animal Sciences and Industry assists Kansas meat processors and entrepreneurs in developing value-added meat products and improving the quality and safety of existing products. Funds have been provided by the Kansas Department of Commerce and Housing, Agricultural Products Development Division to support value-added activities. Services, programs, and assistance include product development and reformulation; quality and safety evaluation and testing; shelf-life studies; nutritional labeling assistance; development of documentation programs to meet government requirement; HACCP and other food safety training; labeling assistance; plant design review; assistance in selecting and locating ingredients; packaging and equipment suppliers; and product compliance evaluation. Recipients of this program are primarily small businesses, often with fewer than 10 employees, and most likely not able to afford such services through commercial sources. Highlights of the past two years include:

Processors and entrepreneurs realized a savings of \$150,000 while enhancing the quality and safety of meat and meat products for Kansas consumers through assistance with shelf life studies, chemical, microbial and physical analyses, and technical and on-site assistance

Nearly 900 phone contacts were made responding to questions posed by Kansas meat and poultry processors and entrepreneurs

Nearly 140 nutrition facts labels were developed and provided to Kansas meat and poultry processors

University of Missouri-Columbia
Department of Food Science
256 Stringer Wing
Columbia, MO 65211
(573) 882-2610 Fax: (573) 884-7964
clarkea@missouri.edu

South Dakota State University

#### Resources for More HACCP Information:

- Code of Federal Regulations www.access.gpo.gov/nara/cfr
- FDA Food Code www.vm.cfsan.fda.gov
- FSIS web site: www.fsis.usda.gov
- FSIS Technical Service Center Hotline: (800) 233-3935 ext. 2 or (402) 221-7400
   Fax: (402) 221-7438
   E-mail: haccp.hotline@usda.gov
- USDA Meat and Poultry Hotline: (800) 535-4555
- National Agricultural Library/USDA (301) 504-6365 Fax: (301) 504-6490 www.nal.usda.gov/fnic/foodborne/foodborn.htm
- USDA/FDA HACCP Training Programs and Resources Database www.nalusda.gov/fnic/foodborne/haccp/index.shtml

#### **Toll-free contact numbers:**

Kansas/Missouri

(877) 205-8345

Nebraska/South Dakota

(888) 688-4346

#### **Internet Bulletin Board**

www.foodsafety.unl.edu/foodsafety/industry.htm





K-State, County Extension Councils, Extension Districts, and U.S. Department of Agriculture Cooperating. All Educational programs and materials available without discrimination on the basis of color, race, national origin, religion, sex, age, or disability.

This material is based upon work supported by the Cooperative State Research, Education, and Extension Service, U.S. Department of Agriculture, under Agreement No. 99-41560-0770. Any opinions, findings, conclusions, or recommendations expressed in this publication are those of the authors and do not necessarily reflect the view of the U.S. Department of Agriculture.

HACCP and Food Safety Help for Small Meat and Food Processing Operations

Providing assistance and training for processors in Kansas, Missouri, Nebraska, and South Dakota

#### TACCP Assistance and Services Available:

A joint university Extension and USDA project has been created to assist food processors with HACCP and food safety problems in Kansas, Missouri, Nebraska, and South Dakota. Contact us for help with:

- · Food safety and HACCP education
- Accredited HACCP training
- Food safety training
  HACCP development/implementation
- Development of verification and recall procedures to support HACCP plans

#### Assistance provided:

#### Workshops

- International HACCP Alliance accredited HACCP workshops
- Introductory HACCP, sanitation, and good manufacturing practices workshops
- HACCP verification, validation, recall, and auditing workshops

#### Materials

- Reference book library
   Video library
- Fact sheets

#### Free consultation

- Toll-free phone service
- One-on-one meetings
- Group meetings
- Onsite visits

#### Internet bulletin board

Post your questions and comments on timely issues

#### For scheduling and information:

## **Kansas and Missouri Processors Contact:**

Mark Murphy
Extension Assistant, HACCP
Kansas State University
Department of Animal Sciences and Industry
214 Weber Hall
Manhattan, KS 66506-0201
mdmurphy@oznet.ksu.edu
Toll-free (877) 205-8345
(785) 532-0191 Fax: (785) 532-7059

#### Nebraska and South Dakota Processors Contact:

Jason Mann
HACCP Specialist
Department of Animal Science
A213 Animal Science
Lincoln, NE 68583-0908
Toll-free (888) 688-4346
(402) 472-6497 Fax: (402) 472-6362
mann4@unl.edu

#### **Internet Bulletin Board**

www.foodsafety.unl.edu/foodsafety/industry.htm

#### Other faculty:

Elizabeth Boyle, Ph.D. Kansas State University Associate Professor/Extension Specialist Dept. of Animal Sciences and Industry 251 Weber Hall Manhattan, KS 66506-0201 (785) 532-1247 Fax: (785) 532-7059 lboyle@oznet.ksu.edu

Fadi Aramouni, Ph.D.
Kansas State University
Associate Professor/Extension Specialist
Dept. of Animal Sciences and Industry
216D Call Hall
Manhattan, KS 66506-0201
(785) 532-1668 Fax (785) 532-5681
faramoun@oznet.ksu.edu

Mindy Brashears, Ph.D. University of Nebraska-Lincoln Extension Food Safety Specialist Dept. of Food Science and Technology 236 Food Industry Complex Box 830919 Lincoln, Nebraska 68583-0919 (402) 472-3403 Fax: (402) 472-1693 mbrashears1@unl.edu

Dennis Burson, Ph.D.
University of Nebraska-Lincoln
Meat Science Extension and Teaching
Department of Animal Science
A213 Animal Science Box 830908
Lincoln, NE 68583-0908
(402) 472-6457 Fax: (402) 472-6362
dburson1@unl.edu

### **BRANDING YOUR BELIEFS**

Adding Value to Livestock by Connecting With Your Community

The weakest link in most producers' farm operations is marketing. The "Branding Your Beliefs" program offered by Lorentz Meats and Land O'Lakes provides livestock producers and small meat processors the tools they need to capitalize on the greatest opportunity they have to increase the profitability of their operations. Over fifty farms from the Cannon Falls, Minnesota area have already completed the program. This is what some of them have to say about its value:

- We are more willing to charge and obtain a fair price for the product we sell.
- It has created more interest in marketing our farm products in non-conventional ways and for much greater profit.
- It has expanded our view of enterprise opportunity and provided details about the steps to be taken.
- Our vision seems more obtainable and worth doing than it did before.
- It has revealed opportunity that exists beyond what I believed possible.
- It has made us surer of ourselves.

#### The program's single goal is to generate economic growth in rural communities.

Specifically, the program will increase incomes for livestock producers (both small and large) through direct marketing, expand employment opportunities by supporting small meat processors seeking to improve their plants, and improve consumer access to premium, locally produced food sources.

The project is based on an idea conceived by Lorentz Meats & Deli of Cannon Falls, MN. Local livestock producers are trained in direct marketing techniques that enable them to market the livestock products from their farm directly to consumers. Reduced distribution costs resulting from direct marketing allow a larger percentage of the retail value of the product to be captured by the farmer. At the same time, it gives consumers access to a premium product whose source is readily identifiable in their own community. Small meat processors can benefit from the growth of direct marketing because farmers will make greater use of local meat plants to slaughter and process their livestock. The increased business and cash flow experienced by small processors will allow them to make critical investments in their plants to comply with ever stricter government inspection requirements. The ability of an individual producer to create a successful direct marketing venture is dramatically improved if the producer is working with a processing plant that is committed to helping direct marketers to succeed.

Page 2 Branding Your Beliefs

Following are just three examples of the impacts this program can have on the profitability of both producers and processors:

- Since direct marketing training was initiated in March 1998 with producers in the Cannon Falls, MN area, Lorentz Meats' slaughter business has gone up forty percent.
- At the same time, producers that direct market hogs to consumers have consistently received \$.60/lb live weight, even in the face of \$.10/lb market prices.
- Beef producers have been averaging at least \$.90/lb live weight.

The "Branding Your Beliefs" project team is made up of three key components. Lorentz Meats brings decades of custom processing experience and the vision for what it takes to build mutually profitable relationships between processors and direct marketers. The International Development Division of Land O'Lakes has over twenty years of experience designing and managing rural economic development programs in the U.S. and around the world. Peter Reese, the direct marketing curriculum author and lead trainer, has dedicated his career to improving the profitability of small agricultural producers. Together, the members of this team share the single objective of giving small livestock processors and producers a tool that will help them stay in business.

Presentation of the direct marketing curriculum occupies a full two-day period. Ideal group size for each presentation is up to roughly fifty participants. The cost for presenting the program is \$12,000 plus travel and lodging expenses to the training sight for two trainers (one originating from Cannon Falls, MN and the other from eastern Wisconsin). Possible options for defraying these costs include dues paid by participating producers, processor sponsorships, grants from economic development organizations and banks, or a combination of different sources.

The "Branding Your Beliefs" program should not be viewed as an easy path to riches or a silver bullet that will solve every problem. It does, however, offer both processors and producers a tool that they can use to increase margins, reduce exposure to the fluctuations of commodity markets, and give greater control over their own future.

#### For more information, contact:

Mike Lorentz
Lorentz Meats & Deli
1-800-535-6382
mike@lorentzmeats.com

Kathy Horgan Land O'Lakes (651) 634-4296

khorg@landolakes.com

## USDA HACCP Based Performance Standards and Regulatory Policies and Their Potential Impact on Small Meat Processors

Recently the final stage of HACCP implementation was completed, making HACCP mandatory in all meat and poultry plants. There are a number of HACCP-based microbiological control requirements that must be met or plants will face compliance actions by federal or state regulatory agencies. These include the following:

1) Salmonella performance standards –

Both carcasses and ground products must meet the *Salmonella* performance standards that are defined in the USDA Pathogen Reduction and HACCP rule. These standards are based on a series of national baseline studies that were conducted by USDA. If a plant fails to meet the *Salmonella* performance standard on three consecutive sets, USDA will withdraw inspection.

2) Plant testing for generic *E. coli* to verify process control –

Slaughter plants must conduct routine testing for generic *E. coli* to verify control of fecal contamination on carcasses. In the event that a plant fails to meet the control parameters, the HACCP plan must be re-evaluated and improved.

3) USDA monitoring of E. coli O157:H7 -

The pathogen *E. coli* O157:H7 is considered an adulterant in raw ground beef. USDA is considering expanding this policy to include all non-intact beef products, i.e., needle tenderized steaks and sectioned and formed products.

If a positive result is reported, then the product is considered adulterated and is subject to a Class I recall. The HACCP plan is also considered to be inadequate and must be reassessed and improved.

4) USDA monitoring for Listeria monocytogenes and Salmonella -

USDA conducts regular microbiological monitoring of cooked, ready-to-eat products for *Listeria monocytogenes* and *Salmonella*. If a sample tests positive, the product is considered to be adulterated and is subject to a Class I recall.

The HACCP plan is also considered to be inadequate and must be reassessed and improved.

The performance standards represent a considerable challenge for all meat and poultry plants, including small and very small plants. In order to meet the standards, plants must have access to state-of-the-art anti-microbial technologies. Just having a HACCP plan is

not enough – the HACCP plan must be effective and capable of reducing or eliminating food safety hazards.

For example, a slaughter plant should have a validated anti-microbial treatment, i.e., steam pasteurization or hot water pasteurization and refrigeration capabilities to assure proper chilling of carcasses and temperature control during the fabrication of carcasses.

All of the major beef slaughter companies have already implemented these technologies. There is an increasing gap between large and small companies in regard to process capabilities.

Other technologies, including post-process pasteurization of packaged ready-to-eat products, irradiation pasteurization using x-rays, electrons or gamma sources, and chemical treatments are being implemented across the industry. Again, the implementation is taking place primarily in larger companies.

The good news for small meat processors is that technologies have been developed to meet the HACCP based performance standards. However, these technologies are costly and are not always available to small volume operations.

At Kansas State University, we believe that we have a responsibility to small meat processors to help identify and implement effective anti-microbial technologies. Current research projects are addressing steam pasteurization for small volume plants, irradiation technologies and chemical treatments that would be available to all plants regardless of size.

Ideally, even the smallest plants will be able to operate successfully under the HACCP system, meeting all microbiological performance standards and providing safe and wholesome products for consumers.

# House Agriculture Committee March 1, 2000 Connie Fischer, Director Agriculture Products Development Division Kansas Dept. of Commerce & Housing

Good afternoon, Chairman Johnson and members of the committee. I have prepared for the committee an overview of the financial assistance the KDOC&H has given to meat processors through out the state. This attached graph demonstrates our commitment to this industry and our efforts in assisting both processors and producers.

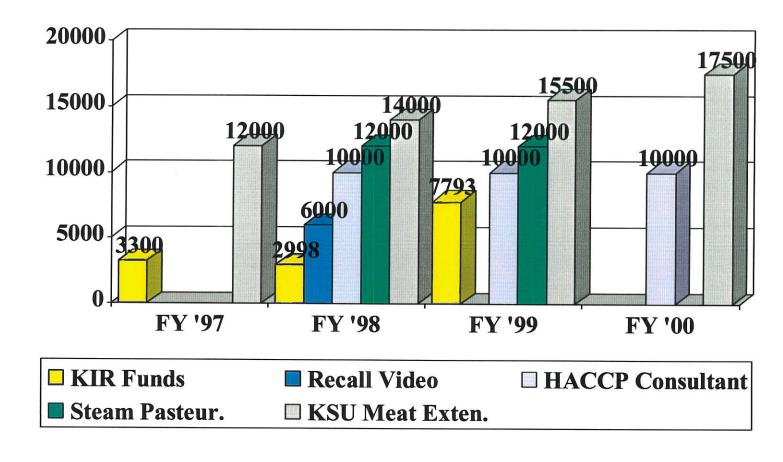
I would also like to relay to you today, future activities that the Agriculture Division is planning that will have a positive impact on Kansas's producers and meat processors.

- 1. In partnership with the Kansas Dept. of Agriculture, the Division will be developing a reference piece for meat processors and producers who are interested in marketing.
- 2. The Agriculture Division will be meeting with all the state meat inspectors, at the next inspector staff meeting, to educate them on the marketing and business assistance available at KDOC&H.
- 3. The Agricultural Products Development Division plans to enhance our outreach efforts to Kansas small and medium size processors by attending their annual meeting and making visits to plants throughout the year.
- 4. The Division will continue its strong commitment to financial and technical support of the industry, especially as it relates to projects that impact producer wealth.

Thank you for the opportunity to visit with you today. I would be happy to answer any questions.

# 4-2

# KDOC&H Expenditures on Technical Assistance for Meat Processors





## News Release

FOR IMMEDIATE RELEASE: Thursday, December 30, 1999

Contact: Michael Schommer, Communications Director, 651-297-1629 Kevin Elfering, Food Inspection Supervisor, 651-297-7453

## NEW MEAT INSPECTION PROGRAM GIVING FARMERS PROFITABLE OPTIONS

ST. PAUL, Minn. – In just its first full year of existence, Minnesota's State Meat Inspection Program has become wildly popular among farmers and small-scale meat processors. By shortening the distance from farm gate to dinner plate, the fledgling program presents a profitable alternative to more traditional marketing options.

Created by the Minnesota Department of Agriculture in November 1998, the program is designed to maximize food safety while also making it easier for the state's producers to sell their homegrown beef, pork and poultry directly to consumers. The state inspection program focuses on small to medium-sized meat processors, supplementing the U.S. Department of Agriculture's continuing focus on the largest processors. By taking their livestock to smaller processors, farmers can receive more individualized service. The farmer can also retain ownership of the meat, marketing it directly to consumers under the family's own brand name.

In January 1999, only one meat processor had volunteered to register with the MDA program, and the state was inspecting a paltry 100 pounds of meat per month. Just 10 months later, the program had jumped to 15 plants, representing a monthly processing volume of more than 100,000 pounds of meat. Today, 16 other processors from around the state are interested in joining the program, and MDA officials predict that by March the program could reach 200,000 pounds of meat per month.

Food Inspection Supervisor Kevin Elfering says the program's rapid growth shows how much interest farmers have in marketing directly to consumers.

"We're seeing this explosive growth because lots of livestock producers want to take control of their own destiny by marketing their own product," Elfering said. "Producers are finding that state-inspected plants are small enough to give personal service, but big enough to provide a variety of services and a high volume of top-quality product."

Farmers say they love the marketing flexibility the program offers, and meat processors are attracted to the program because state inspectors can help them update their food handling procedures and technologies.



In accordance with the Americans With Disabilities Act, an alternative form of communication is available upon request. TTY 1-800-627-3529

According to Minnesota Agriculture Commissioner Gene Hugoson, the state inspection program fits nicely with two dominant themes in today's agricultural sector: improving food safety and expanding farmers' marketing options.

"Farmers typically get less than 25 cents for every dollar consumers spend on food," said Commissioner Hugoson. "We often talk about the importance of farmers doing what they can to capture more of that consumer dollar, and we see the State Meat Inspection Program as a tool that can help them do that. This is also an opportunity for small-town businesses to expand. The economic potential for farmers, small businesses and rural communities is encouraging."

Eifering said producers are finding creative ways to market specialty meats to consumers. Many choose to sell the meat directly to consumers. Some work out deals with local grocery stores to get their products on the shelves. One farmer from northwestern Minnesota even bought a refrigerated trailer to truck his meat down to the Twin Cities.

"Farmers seem to be drawn to the idea of marketing their meat directly," Elfering said. "As popular as the program has become, I really don't see a slowdown for the next few years. This program has really caught the interest and imagination of farmers."

Leonard Yotter and his family raise pigs in Isanti County and take them to a state-inspected processor in Cannon Falls. After processing, they sell 30-pound boxes of pork chops, bacon and ham directly to consumers. He says the state meat inspection program has been a blessing for both farmers and consumers.

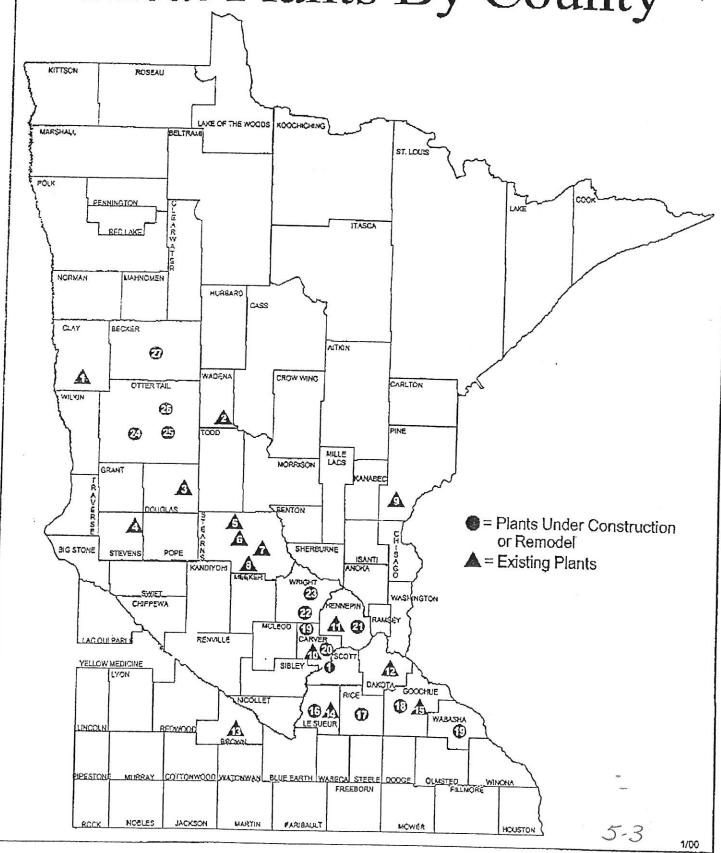
"We started looking for alternatives last year when pork prices dropped," Yotter said. "Now we sell a quality product at a fair price directly to consumers. We get excellent processing service, and about 60 percent or 70 percent of our customers are repeat business. This is a good program - I think more farmers should try it."

- 30 -

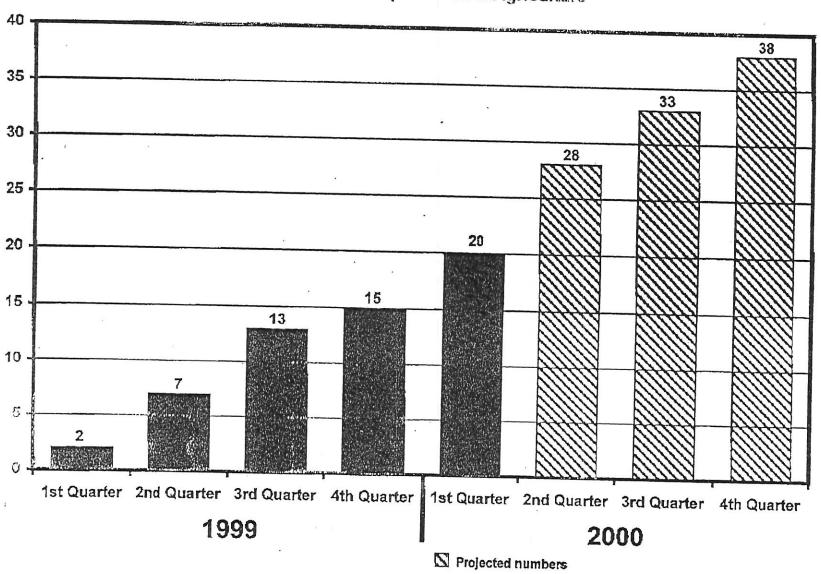
This release is available on the MDA website at http://www.mda.state.mn.us

: !

# Minnesota Inspected Meat Plants By County



## State Meat Inspected Plants Minnesota Department of Agriculture



h

12

1;

1

4

C

3

2

1

1

ij

ľ

### Minnesota State Inspected Meat Plants

#### Plants Currently Operating Under State Inspection

- 1. J & B Meats, Barnesville. New slaughter processing plant, that has farmer direct marketing.
- 2. Mason Bros., Wadena. Grocery and meat wholesaler which services 75-100 small retail stores. New meat processing facility.
- 3. Klinder Processing, Carlos. Slaughter processing plant. Newly remodeled to expand their sausage making operation.
- 4. Hancock Meats, Hancock. Slaughter processing. Old business had been closed. Remodeled and re-opened under state inspection.
- 5. Pfeffer's Country Market, Sauk Centre. Slaughter processing. Newly remodeled, also slaughter elk, red deer, and bison under state inspection.
- 6. Pep's Pork, Melrose. Raises hogs and processes on his own farm. Family operation that expanded to meet sausage-making demands.
- 7. Plantenberg Meats, Richmond. Slaughter processing plant selling locally raised cattle and swine in their grocery store.
- 8. Belgrade Meat Center, Belgrade. Slaughter processing. Remodeled to process locally raised cattle and swine, and to process for farmers that direct market.
- 9. Rhine Lake Butcher Shop, Finlayson. New slaughter processing facility.
- 10. A & M Processing, Hamberg. Remodeled processing plant that wholesales to grocery stores.
- 11. Lake Winds Natural Foods, Minnetonka. Processing facility that sells wholesale to Food Co-ops.
- 12. Trudeau Distributing, Burnsville. Processing plant wholesales to grocery stores. Produce "Rudolph's" brand meat products.
- 13. The Sausage Shop, New Ulm. Processing plant that wholesales products to restaurants.
- 14. Odenthal Meats, Heidelberg. New slaughter processing facility that sells locally raised animals.
- 15. Lorentz Meats, Cannon Falls. Processing plant for farmers that direct market.

#### Plants Under Construction or Remodel

- 16. Nusbaum Meats, Le Center. Slaughter/process locally raised hogs.
- 17. JD Meats, Lonsdale. Hog raiser that will slaughter under inspection for direct marketing.
- 18. Lorentz Meats, Cannon Falls. New facility, which will slaughter and process for farmers that are direct marketing.
- 19. Buckridge Meats, Mileville. Will slaughter and process for wholesale distribution.
- 20. Schroeder Meats, New Germany. Will process for wholesale distribution.
- 21. Honey Baked Hams, Minnetonka. Will process hams for wholesale distribution.
- 22. French Lake Butcher Shop, French Lake. Will slaughter and process for wholesale distribution.
- 23. Dehmer Meats, St. Michael. Will process for wholesale distribution.
- 24. Fergus Locker, Fergus Falls. Will slaughter and process locally raised cattle and swine.
- 25. Henning Locker, Henning. Plant was closed. New owners will slaughter and process cattle that they raise.
- 26. Perham Locker, Perham. Will slaughter and process locally raised cattle and swine.
- 27. Lakes Processing, Detroit Lakes. Will slaughter and process locally raised cattle and swine.

5-5

## By SOLVEIG TORVIK SEATTLE P-I EDITORIAL BOARD

The federal government can order a recall of unsafe toys or cars. But thanks to a profoundly derelict Congress, it cannot order the recall of unsafe meats.

So if you and yours love cold cuts, hot dogs or soft cheeses, listen up: This column's for you.

Picture a lethal bug that likes cold, one that thrives on refrigeration rather than being killed by it. Imagine a critter nasty enough to survive in your body for eight weeks before it makes you sick enough that you could die. This is Listeria monocytogenes, and it kills about 500 people a year in this country and sickens 2,500.

Ironically, the very refrigeration that consumers assume keeps food safe works in reverse with Listeria: It prolongs shelf life and gives the bug a better chance to work its mischief.

We know all about the dangers of E. coli in undercooked hamburgers around here, and we've heard plenty about the dangers of salmonella poisoning from contaminated chickens and other foods. But few of us know much about Listeria, which can cause meningitis or lodge in the placenta of pregnant women.

That's largely because the U.S. Department of Agriculture hasn't bothered to tell us much about it -- even in the midst of the 1998 Listeria outbreak that killed 21 people and sickened at least 100.

It was traced by the Centers for Disease Control to Sara Lee's Ball Park franks and deli meats produced at Bil Mar Foods processing plant in Michigan, which has been the source of four product recalls in recent years.

Even though the Listeria outbreak spread to 22 states, the USDA never shut the plant down.

On Dec. 22, 1998, Sara Lee quietly recalled an estimated 35 million pounds of hot dogs and deli products, one of the largest such recalls in history.

If you missed that recall, it's likely because the USDA didn't even issue its standard press release to inform you of the danger and what Sara Lee was doing about it, Washington Post reporter Peter Perl discovered during an investigation into the USDA's botched handling of the outbreak.

And Sara Lee's own press releases announcing the voluntary recall failed to mention that four people had died, according to The Post.

So consumers continued to eat the tainted meats, and they continued to die from it, the CDC determined. The result was the most lethal case of food-borne illness in the United States in 15 years.

It also may have escaped your attention that, as a result of that outbreak, the USDA and CDC last May issued a warning to consumers who are pregnant, elderly, diabetic and to cancer or AIDS patients not to eat cold cuts or hot dogs unless they fully recook them.

House Agriculture Committee March 1, 2000 Attachment 6 If you're ignorant of this warning, that's how the meat processors and those who regulate them apparently want it. There's nothing on the labels of these products to warn consumers to recook the meats.

Let's get real here: Who would imagine cold cuts should be cooked?

The USDA has oversight of the nation's food processing plants. But as the Listeria outbreak damningly illustrated, it's a largely let's-pretend oversight.

For starters, the agency has no authority to order recall of unsafe products produced at the plants. That's strictly voluntary.

But the USDA can withdraw federal inspections, which has the effect of closing the plant. That's a drastic step for bureaucrats who may be more worried about their careers than public health.

In any case, it never happened in the Bil Mar Listeria outbreak. (It's noteworthy that the plant had earned 45 "noncompliance" writeups from USDA inspectors by the end of 1998, the year of the outbreak.)

The USDA does not have authority to force warning labels onto products to recommend such safety precautions as cooking cold cuts.

Neither does it have authority to force the processing plant operators to adopt the microbial tests that are required in slaughterhouses. Any bacteria testing that does go on also is strictly voluntary.

And USDA does not have the authority to impose penalties for repeated violators either.

Yet all this scandalous negligence is sold to the citizenry as consumer protection.

Congress is the source of the USDA's powers to protect consumers. But when it comes to food processing plants, Congress has seen fit to side with the financial interests of food processors rather than to empower the USDA to protect consumers.

For example, Agriculture Secretary Dan Glickman repeatedly has sought mandatory recall powers from Congress but has failed in the face of protests from the industry. Even some former meat industry executives think matters have gone too far in favor of the industry.

Mandatory bacteria testing must be imposed and food processors must revamp their plants to create a germ-free environment similar to that of the milk or pharmaceutical industries, James Mardsen, retired president of the American Meat Institute Foundation and professor of meat science at Kansas State University, told the Post.

That seems obvious if they're to keep the confidence of their customers.

Sen. Tom Harkin, D-lowa, ranking Democrat on the Agriculture Committee, for the past two years unsuccessfully has tried to enact the Safer Meat

and Poultry Act. It would give USDA recall powers and authority to impose civil penalties.

Food-borne illness kills 5,000 people a year in the United States, according to the CDC. It sickens 76 million annually -- that's almost a quarter of the population -- and hospitalizes 325,000. All told, it costs the nation \$30 billion in medical expenses and lost productivity, the government says.

Congress requires the USDA to provide cost-benefit analysis for any regulation imposed on business. The CDC's statistics make the case for the need to improve the safety of the food supply, including processing plants.

Congress shouldn't need another Listeria outbreak to justify passage of Harkin's bill. The USDA needs teeth sharp enough to sink into the hides of careless meat processors.

Solveig Torvik is an editorial writer and a member of the Post-Intelligencer Editorial Board. E-mail: solveigtorvik@seattle-pi.com











#### USDA does not Mean Grown in the USA!



Today the price ranchers receive for their cattle is near a 30-year low, while the prices you pay at the grocery store are at an all-time high! Why? In 1998, more than 30 billion tons of foreign food was imported into the U.S. In one year, nearly 300 million pounds of Foreign Beef comes into the U.S. from Central and South America; all stamped with the same USDA stamp as our American Beef. USDA does not mean grown in the USA!

There are two big, potential problems with foreign beef from some countries: environmental destruction and food safety/quality. Many ranches and farms in Central and South America do not raise their cattle to the same standards of quality and agricultural standards set by the USDA. This can result in environmental abuses and destruction; including "supercow" animal growth through hormones, the use of banned chemicals and pesticides, and non-sanitary slaughter and meat processing. Foreign meat processing plants are not inspected and regulated to meet USDA standards. All of these can result in unsafe and/or certainly lesser quality beef making it to your dinner table.

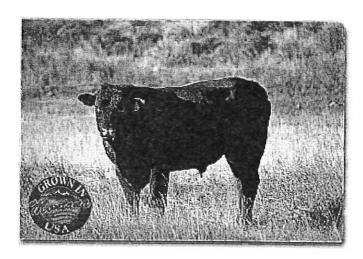
Additionally, a lot of foreign beef ends up in hamburgers sold through our famous fast food restaurants. These well-known companies buy much of their beef from Central and South America and Australia, not from the USA and our American ranches. Yes, your favorite hamburger joint is on the list. Chances are your favorite grocery store, supermarket, and restaurant are on the list, too. The problem is, they, like you, don't even know they are buying foreign beef. USDA does not mean grown in the USA!



One conservation group, The Rainforest Action Network, estimates that one 1/4 lb. hamburger destroys 55 sq. feet of rainforest, which contains one giant tree, 50 smaller trees, 20-30 different tree species, over 100 different species of insects, as well as many birds, mammalian and reptilian species. Obviously, rainforest destruction is caused by strip mining and logging and is not caused by cattle grazing. However, the grass that grows from the land that was strip mined or logged over is only good for two years; so more forests are continually destroyed in order to provide new resources and "cheap" cattle grazing land. At any rate, rainforest destruction from strip mining and logging is alarming. The ranchers are simply taking advantage of the cleared rainforest to graze their cattle. This "cycle for profit" is wiping out the rainforests altogether. Therefore, the purchase of beef from countries that graze cattle on land that once was a rainforest continues to feed this "cycle for profit" endlessly.

All of these issues and others present new challenges for the USDA. Whether your food comes from the USA or Central America, the longer it takes to reach your table, the higher the risk for food-borne illness. Peggy M. Goegeding, an agricultural expert at North Carolina State University states "since only a tiny fraction of imported foods undergo inspection, it's almost impossible to keep a nasty microbe from hiding." The U.S. Center for Disease Control warns, "Imported foods are an increasing proportion of the diet and often come from developing countries where food hygiene and basic sanitation are less advanced". Additionally, the World Health Organization is ringing alarm bells about "emerging" food-borne diseases due to the "globalization of the food supply". On July 3, 1999, President Clinton said "some recent outbreaks of food-borne illness have been traced to imported foods, and with Americans eating increasingly from an international plate, this is an important issue for all of us." A top U.S. priority ought to be "educating other countries in improving their own sanitation" says Robin Yeaton Woo, a food-safety expert at Georgetown University in Washington.

House Agriculture Committee March 1, 2000 Attachment 7 The reason for this travesty is simple, there are no federal "country-of-origin" labeling requirements for beef, or any other food product that we import. However, there is for your dog's rawhide chew toy!? That is not only outrageous, it's dangerous! If it is so important to know where our pets' food and chew toys come from, why don't they think it is equally important for us to know where our food comes from? Especially when foreign food is not grown or produced to the same safety, food quality, sanitary conditions and environmental standards as American-grown food products.



At Big Sky Beef, all of our cattle are Montana-Raised Angus, raised on the open prairies in a stress-free, healthy, safe and natural environment. Prehistoric glaciers carved our prairies millions of years ago, not diesel-fired bulldozers. In Montana, this phenomenon created some of the best grazing land found anywhere in the world, naturally! Additionally, many of the Big Sky Beef ranchers have won numerous awards and recognition for their soil, land, animal and water conservation.

So...what are you waiting for? Call Big Sky Beef today so you and your family can enjoy safe, great tasting, environmentally sound, Montana-Raised Angus Beef! And now it's fast, easy, and convenient! Just call 1-800-MT-Angus or order from this site!

\* HOME

©1999 Big Sky Beef. Website Design By: SYSTECHNET











#### What We Stand For - The People of Big Sky Beef

We are land-loving, God-fearing people. We take great pride in the quality of our beef and in the heritage of our ranches. We are second, third and fourth generation ranchers, with the fifth generation already in the saddle. Most of our ranches are on the land that our forefathers homesteaded in the late 1800's and early 1900's. Our deep sense of pride comes, not only from the high quality of our Angus cattle, but also from the satisfaction of maintaining the land and family traditions that have been part of our families for almost a century.



Prehistoric glaciers carved our prairies millions of years ago. This natural phenomenon created some of the best grazing land in the world. Our nine ranches encompass almost 250,000 acres of this pristine "all natural" land. This land includes open prairies, rolling hills, and rich river bottoms. The land is rugged and demanding, yet beautiful and bountiful with fertile grasslands. We also have an abundance of wildlife including Canadian geese, wild turkeys, pheasants, coyotes and wolves, elk, moose and deer, antelope, bears and mountain lions.



We are proud to be ranchers and farmers, we greatly value Montana's natural beauty, history, and resources and strive to protect and conserve the land by all possible means. Together, we have allocated more than 12,000 acres to the

Together, our herds average more than 12,000 of the best Angus cows found anywhere in the world, 1,000 yearlings, and more than 300 registered Angus bulls. Each ranching season our herds grow to more than 25,000. These cattle graze on the open ranges of the Missouri River plateaus and highlands, consuming some of the highest quality grasses in America. Not one Angus steer is crowded either; in Big Sky Country each one of our cattle can roam over thousands of acres. This helps us to raise stress-free cattle. We also farm almost 20,000 acres of wheat, barley, alfalfa, oats and corn to supplement their diets and to sustain them through the long, cold winters.



to remain for 10 years in its natural state so plants and animals can live undisturbed. We also use proactive measures of conservation on our remaining acreage, to preserve the land and environment.



These measures include providing cover along creek and river banks to prevent erosion; rotational grazing; the planting of shelter belts and wind breaks; and the development of springs, ditches, canals and pits to both irrigate and control the runoff that causes erosion. We also protect our native wildlife. Designated fields are left unmowed to provide a place for the animals to feed and to find cover. The windbreaks and other plantings, such as cattails along the creeks, provide shelter and food as well. Natural grasses are replanted to replenish grazing fields. We understand that in order to maintain the natural balance and harmony of Montana, we must respect and preserve our environment.

Big Sky Beef is so vitally important to us because it allows us to ensure that we will be able to preserve our ranches, family traditions and American Heritage at a time when our industry is being overrun by vast corporate operations. These large companies have no stake in the beef they sell beyond the bottom line. The money a rancher receives for selling his cattle today is near a 30 year low, while the price you pay at the grocery store is at an all time high. Foreign beef is coming in from all over, Central and South America, Mexico, Australia and Asia. Corporate America is selling "cheap beef" and you are paying for it and don't even know it. We sell the very best premium Angus beef found anywhere, yet you are charged top dollar for foreign beef. Corporate America is killing the beef industry with its low-grade imported beef while raping third world countries for the almighty dollar. So the ranches of Big Sky Beef have decided to change the way they do business. Our ranchers are bringing to you their Montana-Raised Premium Angus beef, right to your front door, from our family to yours.

Ranching is very demanding work, involving extraordinarily long hours of grueling physical labor and often personal sacrifices, but the beauty and simplicity of life in Montana, the preservation of our heritage and the satisfaction gained from this sense of accomplishment make everything worthwhile.

We invite you to meet our families and learn a little more about our Montana ranches and our way of life. You can learn more about our ranches and ranchers at <u>The Ranchers of Big Sky Beef</u>. Try some of our Montana-Raised Angus beef and taste the difference. Or better yet, give us a call, write us a letter or just stop by and visit.

**⇔HOME** 

©1999 Big Sky Beef. Website Design By: SYSTECHNET



# EMPOWERING KANSAS PRODUCERS TO MARKET THEIR OWN MEAT

Today the price ranchers receive for their cattle is near a 30-year low, while the prices you pay at the grocery store are at an all-time high!

**St. Paul, Minn**. In just its first full year of existence, Minnesota's State Meat Inspection Program has become wildy popular among farmers and small-scale meat processors. By shortening the distance from farm gate to dinner plate, the fledgling programs presents a profitable alternative to more traditional marketing options.

Malta, Montana - Cattle ranchers in north-central Montana are taking their business to a new frontier; the Internet.

Frustrated with traditional marketing methods, the group is selling steaks, burgers and roasts directly to consumers. Their site is <a href="www.beef.com">www.beef.com</a>.

They promote the fact that all the meat is grown, packaged and sold from Montana, so customers know exactly where their dinner comes from.

**Bismark**, **N.D.** Plans for a rancher-owned beef processing plant in the upper Midwest are taking a new form.

The Dakotas Beef Marketing Project, based in North and South Dakota, is requesting an \$84,000 grant from the North Dakota Agricultural Products Utilization Commission to look into forming a producer-owned processing and marketing enterprise.

House Agriculture Committee March 1, 2000 Attachment 8 A concurrent Resolution urging the Agriculture, Commerce, and Economic Development Committees, Kansas State Research and Extension of the College of Agriculture, Kansas Cattlemen's Association, Farm Bureau, Farmers Union and the Kansas Livestock Association, Kansas Pork Producers Council, independent smaller locker plants, to assist producers of beef, pork, poultry to market their own products.

and Whereas, continued demand provides an increased excellent opportunity to market our outstanding quality Kansas produced beef.

Whereas, the State of Kansas recently faced a decrease of revenue (an agriculture crises) throughout the various meat producers;

and Whereas, the State of Kansas faced loss of thirty-two locker plants through years of 1998 to 2000;

and Whereas, our product meets higher standards of quality.

Whereas, With the full implementation of the requirements mandated by regulations of the food safety and inspection service of the United State department of agriculture regarding sanitation standard operating procedures and the hazard analysis and critical control points (HACCP), the Secretary of Agriculture of the State of Kansas, many members of Congress and others have stated that interstate shipping of state-inspected meat and meat products should be allowed; and

Whereas, In anticipation of the legislation allowing such interstate shipping of state-inspected meat and meat products, the States of Minnesota and North Dakota and others are preparing for the shipment of state-inspected meat and meat products across state lines by initiating innovative programs to promote such sales and encouraging the establishment of new small food locker plants; and

Now, therefore,

Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein: That we encourage cooperation between Kansas Agriculture Department, small locker plants, and producers to promote and encourage producers the ability to market their own product;

and Whereas, the State of Kansas should encourage producers to market their own products direct to consumers.

and Be it further resolved: That Kansas pass legislation providing tax credits for small locker plants that had to purchase machinery and equipment for safety regulations

A KCA Promote To MEMBERS	Public Assistance Consiti	A Griculture REGULATE T Educate	AG-COMMERCE MANKET and ASS:ST — Packets	SEED CAPITAL VENTURE	RE-Training
	•				
3					
		Processors Potential For More Profits			
		Productor	<b>.</b>		
		ProducErs Direct Marketing of Products - inche Profits	FASE		

To: Rep Dan Thimesch From: Cindy Roupe Date: 1-19-2000

Re: Contact with state associations affiliated with the American Association of Meat Processors

#### Arkansas

Robert McDaniel, Arkansas Meat Processors. Arkansas used to have 40-50 small processors. Now, "only a handful". McDaniel sees this as part of a ten year trend.

#### Colorado

Gary Baysinger, Colorado Association of Meat Processors.

On the western slope he has seen 4 small/ medium processors have ceased slaughtering and now just process meat. Many of the plants were older and would need extensive remodeling.

#### Indiana

Mr. Dewig said he had definitely seen an impact on small processors. He could think of 2 that were going out of business. He recommended I talk with the Indiana Board of Animal Health.

The Indiana Board of Animal Health (317-227-0355) gave me figures on the number of plants: December 1999, 107 official plants, 37 custom exempt; December 1998, 111 official plants, 32 custom exempt.

Minnesota (stat)

I talked with Kevin Elfering of the Minnesota Department of Agriculture (651-297-7453). former inspector. The Minnesota State inspection program is relatively new. He has not seen any decline in the numbers of meat processors. Training was done by the Minnesota Southwest State University and the Agricultural Utilization Research Institute(www.auri.org). The state inspectors worked with the processors on a one-to-one basis.

Minnesota Association of Meat Processors

I left an email message and answering machine message with Edward Lorentz, Executive Secretary.

Nebraska (Federal)

Dennis Schaardt of the Nebraska Association of Meat Processors, reported that 4 plants went to "custom exempt" status. Other than that, he hadn't noticed much of an impact.

Other states that I attempted to contact were Illinois, Iowa, and Missouri. All had answering machines or no one answered the phone.