

**NSAC / FSIS Very Small Plant Meeting**  
**Heifer International U.S.A.**  
**Little Rock, AR**  
**March 15, 2017**

**Attending:**

Al Almanza, Acting USDA Deputy Undersecretary for Food Safety and FSIS Administrator  
Paul Kiecker, FSIS Acting Deputy Assistant Administrator for Field Operations  
Michael Watts, FSIS Assistant Administrator for Outreach, Employee Education and Training  
Tricia Kovacs, AMS Local and Regional Food Systems Policy Advisor  
Cody Hopkins, Falling Sky Farm and Grass Roots Farmers' Cooperative, East Leslie, Arkansas  
Andy Shaw, Natural State Processing and Grass Roots Farmers' Cooperative, Clinton, Arkansas  
Chelsea Lewis, Natural State Processing, Clinton, Arkansas  
Chris Shaw, Cypress Valley Meat Company, Vilonia, Arkansas  
Sarah Brown, Heifer International, Little Rock, Arkansas  
Trent Hendricks, Cabriejo, Trickling Springs, and AGA Board member, Koshkonong, Missouri  
David Schafer, Featherman Equipment, Jamesport, Missouri  
Brian Sapp, White Oak Pastures, Bluffton, Georgia  
Rosanna Bauman, Bauman's Butcher Block and Anto Poultry Processing, Ottawa, Kansas  
Mike and Connie Hale, Windy Meadows Family Farm, Campbell, Texas  
Greg Gunthorp, Gunthorp Farms and Brushy Prairie Packing, Lagrange, Indiana  
Carrie Balkcom, American Grassfed Association, Denver, Colorado  
Rebecca Thistlewaite, Niche Meat Processor Assistance Network, Oregon State University, Corvallis, Oregon  
Ferd Hoefner, National Sustainable Agriculture Coalition, Washington, DC

1. Introductions – All
2. Background and Agenda Review – Ferd Hoefner
3. Welcome to Heifer – Pierre Ferrari
4. Opening Comments – Al Almanza

A few select key points -- 90+% of plants are small and very small; we have data and information we can share with you through these meetings, outreach webinars, etc.; 9,000 employees, most good, some not good – we can work with you to deal with problem inspectors; we went from 15 districts to 10 districts in part to get more uniformity

5. Overview of key discussion points:

**a. Humane Handling:**

**FSIS overview (Paul Kiecker):** Information on options provided in Small Plant Help Desk online. The biggest issue is stunning effectiveness (mis-stuns). FSIS expects successful first attempt and adequate restraint is important in achieving that. Should be part of a systematic approach to reduce

movement and stress on animals. Systemic approach includes measures for inclement weather. Second most problematic area is slips and falls.

**Stakeholder concerns:** 100% on first stun is challenging, and creates the following challenges:

- Increases stress on staff that fears their mistake could get the plant shut down.
- Makes it difficult to train staff for this role, because they by definition new staff start as inexperienced and less accurate
- In very small plants, inspectors observe every animal, which is not the case in large plants and creates an unfair comparison. Small plants have to be perfect 100%, but large plants do not, because of inspector to animal ratio.

**Discussion:** FSIS said plants need a plan for what to do in the case of a mis-stun, and implement that plan immediately and reliably when it happens. Emphasized adequate restraint. FSIS committed to discussing a common-sense approach with district managers when they are in DC for training at the end of April.

Stakeholders concerned that there is an intimidation factor, that some inspectors use this issue as a bullying technique, and that even with plan in place, with restraint and immediate back up stun, it is not allowed; yet with proper procedures in place, it is not inhumane. Also noted that very small plants deal with a wide range of animals/animal size, not uniform as with giant plants, so that makes 100% first stun effectiveness an even higher bar for smallest plants. In fact, the case was made that with good plan and protocols in place, if it were widely the case that immediate second stun was allowed, the overall percentage of mistakes would go down because there would be less pressure.

**Stakeholder suggestions:** Inspectors need a systematic approach, not just the producers. Intent is important. Common sense and reasonable flexibility is important. Professionalism training for inspectors is important. There should be a flow chart or questions for inspector to ask to determine if back-up plan and response is adequate.

## **b. Salmonella testing in poultry**

**Administrator Almanza:** Among the issues before us for the new Administration are (1) improving collaboration with stakeholders, (2) more modernization of inspection, and (3) creating opportunities for new businesses and business growth. A key question is whether we are stifling business in the small and very small poultry sector.

Currently salmonella testing has a process focus and identifies any strains, rather than specific strain testing. We aren't there yet. Interest in how we do something collectively to address the challenges for small plants, but we can't exempt small plants because that risks stigmatizing them as unsafe. FSIS is seeing more salmonella in store chicken. CDC says illnesses are increasing as well. This appears to be mostly through cross-contamination and virulence (that they are harder to kill in the cooking process). He has told the industry that we need to get to the virulence issue and human health concern, and that genome sequencing will help. There is a challenge that we need industry research on strains that cause human health risk, but of course industry doesn't want to expose themselves by doing some of that research. FSIS push did bring the numbers down.

### Stakeholder comments:

- The plants are taking the hit when the issue is in the chick industry and not all strains are human. Only a dozen small plants left.
- Need to focus on strains that cause illness, not on all the thousands of strains
- Our customers do not want us to use chlorine.
- Research needed specifically on pastured poultry production; it's not a one-size issue.
- Statistically, testing of whole birds is higher for small plants than for large; closer to equal for parts; double testing unnecessary
  - AA response – FSIS will be recommending testing parts, and not also whole birds, because consumers tend to buy parts rather than whole birds these days. It is a waste of money to double test; we will be changing that.
- Positive feedback on news about ending whole bird testing.
- Positive/Negative testing done by FSIS didn't match private tests that measured CFUs per mL. (They received a + test from FSIS, but their private test, drawn from same source at same time, found "less than 1 CFUs per mL".) They'd like the option to do a most probable numbers testing instead; willing to pay more because they know it is expensive. The alternative testing would give them more info on their process success. Would need labs to start to offer, since now they don't always (because they are trying to keep up with PCR (FSIS) testing).
  - AA response: if industry will provide test data in situations where they exceed the standard and can demonstrate the virulence of the strains they have, FSIS would consider that.

### c. Overview of USDA funding programs

**AMS Overview (Tricia Kovacs):** Several different grant & loan programs at USDA could potentially fund meat processing and related meat production ventures. These include –

Farm Service Agency - Farm Storage Facility Loans (can be used for meat cold-storage); Organic Certification Cost Share Program (farmers can use to defray costs of organic certification)

Rural Development – Local and Regional Food Enterprise Guaranteed Loans (part of the Business and Industry Loan Program); Rural Energy for America Program (can be used for energy conservation projects in plants or renewable energy), Value-Added Producer Grants (can be used for feasibility studies and as well as for working capital); Rural Business Development Grants

Agriculture Marketing Service – Local Food Promotion Program

See [this AMS website for an overview](#) of many of these programs.

Also, see this guide developed by NSAC in cooperation with USD/FSA - <http://sustainableagriculture.net/wp-content/uploads/2017/02/FSA-Guide-Final.pdf>

Or NSAC's longer Grassroots Guide to Federal Farm and Food Programs <http://sustainableagriculture.net/publications/grassrootsguide/>

## **d. Inspections and Appeals**

### **Discussion**

- Difficult or impossible for inspector to be present for every monitor checkpoint in a process that takes more than 8 hours. Clear in regulations that this is not required. Yet some inspectors raise it as an issue and cause delays.
  - PK response: Not mandatory for inspector to see all to monitor, can verify documentation instead. And, yes, that is clear in the regulations.
  - Stakeholder response: This sounds like a good issue to cover in inspector training.
- Discussion of how to get help when inspectors taking too much time with decisions, or not codifying the answer (so that future inspectors wouldn't go through the deliberation process again), or really for any inspector concerns.
  - PK response – you have the right to appeal each level to the next highest level – start by calling front line supervisor
  - Small businesses are fragile. There is concern about retaliation.
  - PK response – Don't need lots of documentation; don't need a big write up
  - But you can go out of business if there is retaliation. That is why there needs to be an ombudsman.
  - AA response – we can move people if we need to, where there has been clear abuse or mistrust – my general suggestion is to develop a cordial relationship with inspector so that there is trust that you're all working toward same goals – when a problem emerges, be firm but not confrontational – describe situation the way you see it – start with front line supervisor, if that doesn't work, call district manager
  - Can also use Ask FSIS if it is a technical point; you can also call Ask FSIS with the inspector

## **e. Labeling**

Note - NMPAN will coordinate with Jeff Canavan (who could not attend due to weather-related flight changes) to conduct a series of labeling webinars. One key question is how much change can be made with an approved label without applying for a new approval.

### **Discussion:**

- Verification of grassfed and other claims – stakeholders raised concern about many false claims and lack of a system for verifying those claims. Questions of who is responsible for that verification – label approvers not really in a position to know/verify. Inspectors do label verification but it's not high on their priority list of activities. The plant inspector should verify and enforce, but generally do not. Asks a lot of inspector though.
- Chain of custody issues also plays into it. Without certification process there is lots of room to cheat.
- AA response: Verification is way down the list of priorities for inspectors. In order for it to be raised in priority, it needs to be clearly articulated as a food safety issue. But if it is obviously false, I can take care of it quickly
- Labeling is a very central and serious issue to growth of niche meat. It depends on honesty and transparency. From pastured poultry to grassfed beef, consumer demand is outstripping

number of farmers/farms. Room for growth, but need strong animal raising claim standards and labels and certification systems that work and are enforced.

In light of the fact that Jeff could not make the trip from DC due to flight cancellation, Carrie and Ferd will meet with Jeff and also with Paul to discuss next steps for the labeling and enforcement issues.

**Key Takeaways/Action Items:**

Rebecca/NMPAN to work with FSIS on a 3-webinar series on labeling. Will announce details when ready.

FSIS district managers training in DC – last week in April – a chance to discuss common sense re: mis-stuns by providing examples of back-up plans and “systematic approach” for mis-stun that could keep a plant open. Perhaps FSIS could develop a flow chart of questions for the inspector to ask that would facilitate common sense solutions

Michael - Small Plant News will be publishing a piece on sampling apportionment based on production volume; it is being developed and will then go through the clearance process.

For the next meetings, FSIS participants will come on the tours. Intended to this time, but the weather-related flight cancellations got in the way.

Carrie and Ferd will follow up with Paul and Jeff on labeling issues, with intent of getting a conference call on that specific issue in place prior to the next face-to-face meeting.

Any follow-up questions for FSIS can be routed to Ferd and he can compile and share with USDA.

Final thought – if we want to create the next generation of farmers, we need to fix processing problems – consumer demand is growing but new farmers not growing quickly enough, and many small plants are struggling – this should keep all of us focused on finding solutions.