



Tools for Small and Midsized Livestock and Poultry

USDA Resources for
Producers and Processors





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Background: What's in this guide?

- If you are a small or mid-sized livestock or poultry producer or processor or a retailer, community leader or local government interested in new opportunities for smaller-scale producers and businesses, this guide is for you!
 - Explore USDA programs that can support opportunities in small and mid-sized livestock and poultry
 - See examples of how these programs are being used
 - Explore additional research and tools
 - Find partners
 - Ask questions at your local USDA service center!



The Research Shows...

- There is unmet consumer demand for meat and poultry from small and mid-sized producers, including locally-raised and grassfed animals.
- Producers may see higher revenues for animals raised and branded as local, grassfed, etc.
 - But there are challenges, including limited slaughter and processing capacity or other supply chain limitations.¹
- When we resolve these issues and tap into consumer demand, it creates jobs.
 - Small slaughterhouses in Iowa created 7+ jobs per 1,000 cattle processed.²

¹ Gwin, Thiboumery and Stillman. Local Meat and Poultry Processing: The Importance of Business Commitments for Long-Term Viability. ERR-150, USDA Economic Research Service. <http://www.ers.usda.gov/publications/err-economic-research-report/err150.aspx#.Uxc87ONdW7w>

² Swenson, D. Exploring Small-Scale Meat Processing Expansion in Iowa. <http://www.leopold.iastate.edu/sites/default/files/pubs-and-papers/2011-04-exploring-small-scale-meat-processing-expansions-iowa.pdf>



How can USDA Assist?





Value-Added Producer Grants (VAPG)

- Agency: **Rural Development**
 - Type of support: **Grant**
 - Uses: **Planning, research, construction, equipment, marketing, working capital**
 - Typical awards: **\$200,000 for working capital; \$75,000 for planning**
 - Matching resources required
- http://www.usda.gov/wps/portal/usda/usdahome?contentid=kyf_grants_rd1_content.html

Program Eligibility

- Individual
- Non-profit
- For-profit
- Coop
- Public
- Tribal
- Research



Pinn-Oak Ridge Farm Opens Lamb Processing Plant

- In 2009, Steve Pinnow wanted to produce fresh lamb meat in Southeast Wisconsin, but the only processing plant had a two month waiting period
- Opened facility with a \$150,000 VAPG
- Has six full time employees and contracts with 30 producers to process lambs

- <http://www.wisconsinlamb.com>





Business and Industry Guaranteed Loan Program (B&I)

- Agency: **Rural Development**
- Type of support: **Guaranteed loans**
- Uses: **Construction, land, equipment, working capital; rural infrastructure and agriculture projects**
- Typical awards: \$10-40 million, with exceptions
- http://www.usda.gov/wps/portal/usda/usdahome?contentid=kyf_grants_rd3_content.html

Program Eligibility

- X Individual
- X Non-profit
- X For-profit
- X Coop
- X Public
- X Tribal
- Research



Prairieland Foods Purchases New Dairy Processing Facility

- Prairieland Foods in Hallam, Nebraska received a B&I guaranteed loan for \$650,000 to purchase a facility to meet the growing demand for local, source-verified milk
- Four jobs saved and at least three more created
- Company plans to produce cheese, yogurt, and other dairy foods for nearby markets using local milk





Rural Business Enterprise Grant (RBEG)

- Agency: **Rural Development**
 - Type of support: **Grant**
 - Uses: **Planning/research, construction, land, equipment, working capital, training**
 - Typical awards: No maximum award
 - Smaller projects receive priority points
- http://www.usda.gov/wps/portal/usda/usdahome?contentid=kyf_grants_rd6_content.html

Program Eligibility

- Individual
- X Non-profit
- For-profit
- Coop
- X Public
- X Tribal
- Research



The Glynwood Center Develops Mobile Slaughter Unit

- In 2010, the Center in the NY Hudson River Valley developed a mobile slaughter unit, providing local ranchers access to slaughter and processing equipment and local markets
- The grant of \$99,800 allowed for the hiring of a coordinator and for the unit to be winterized



- <http://www.glynwood.org/programs/modular-harvest-system/>



Small Plant Help Desk (SPHD)

- Agency: **Food Safety Inspection Service**
- Type of support: **Technical assistance**
- Uses: **Planning, regulation compliance**
- Initiative designed to help small processors reduce the time and expense of dealing with agency requirements; former field inspectors help answer questions on a toll free number: 1-877-FSIS-HELP or 1-877-374-7435
- <http://www.fsis.usda.gov/wps/portal/fsis/programs-and-services/contact-centers/small-plant-help-desk>



Link Lab Artisan Meats Retrofits Garage

- Link Lab Artisan Meats, a Seattle-based sausage company that uses local, sustainably-produced meats, opened its business in late 2010 thanks largely to the Small Plant Help Desk
- The Help Desk's information and guidance were crucial in allowing owner David Pearlstein's garage-turned-sausage facility to pass inspection
- Pearlstein's facility was approved immediately following the initial visit, and he was able to start production just three months later



Cooperative Interstate Shipment Program (CIS)

- Agency: **Food Safety Inspection Service**
- Type of support: **Technical assistance**
- A program from the 2008 Farm Bill that allows small state inspected establishments to ship meat and poultry products in interstate commerce
- Must be a qualifying state inspected establishment with 25 or fewer employees
- <http://www.fsis.usda.gov/OPPDE/rdad/FRPubs/2008-0039F.pdf>



Ohio Cooperative Interstate Shipment Program

- Ohio nominated seven small establishments for the interstate shipment program in 2012
- All seven were accepted, and the small establishments could ship interstate with only state inspectors
- <http://www.extension.org/sites/default/files/CoopInterstateShipment%20webinar%20slides%204Feb2014.pdf>





Biosecurity for Birds

- Agency: **Animal and Plant Health Inspection Service**
- Type of support: **Technical assistance**
- Uses: Improving biosecurity for non-commercial poultry operations, such as backyard flocks and bird enthusiasts
- Informational materials and online training programs for local poultry producers available in several languages
- <http://www.healthybirds.aphis.usda.gov>





Reporting Violations of the Packers and Stockyards Act

- Agency: **Grain Inspection, Packers and Stockyards Administration (GIPSA)**
- Type of support: **Enforcement**
- Uses: GIPSA encourages producers, consumers, and members of the livestock, meat, and poultry industries to report incidents of slow, insufficient, or non-payment for livestock, meat, or poultry; potential antitrust practices; or unfair, deceptive, and fraudulent practices by entities subject to the P&S Act.
- <http://www.gipsa.usda.gov/Publications/psp/broch/psact.pdf> ; call 800-998-3447 (toll-free)





Additional Programs

- The **Know Your Farmer, Know Your Food Initiative** provides information on USDA resources and tools for local and regional food systems.
<http://www.usda.gov/knowyourfarmer>
- AMS: **Farmers Market and Local Food Promotion Program** helps support local food systems with marketing grants, which meat producers can use to educate consumers about locally-raised meat, for example.
<http://www.ams.usda.gov/AMSV1.0/fmpp>
- AMS: **Federal-State Marketing Improvement Program** grants fund programs to market, transport and distribute products, including meat and poultry.
http://www.usda.gov/wps/portal/usda/usdahome?contentid=kyf_grants_ams2_content.html
- AMS: **Market News** provides expanded price, volume, supply, and demand information. Market News is now collecting price data on grass-fed beef to arm producers with real pricing information from the sector and will soon begin collecting data about local food prices and volume.
<http://www.ams.usda.gov/AMSV1.0/MARKETNEWS>



Additional Programs

- **FNS: Farm to School** supports efforts by schools and districts, who in the recent Census expressed interest in local meat, to source more foods locally and provide complementary educational activities to students.
<http://www.fns.usda.gov/farmentoschool/farm-school>
- **FSIS: Meat, Poultry, and Egg Product Inspection Directory** catalogs USDA-regulated establishments that produce products.
www.fsis.usda.gov/wps/portal/fsis/topics/inspection/mpi-directory
- **NIFA: Agriculture and Food Research Initiative** grants support research, education, and extension efforts, including ranching.
<http://www.nifa.usda.gov/funding/rfas/afri.html>
- **NIFA: Beginning Farmer and Rancher Development Program** provides grants to organizations that train, educate, and provide outreach and technical assistance to beginning farmers and ranchers on such critical topics as marketing and legal studies.
www.usda.gov/wps/portal/usda/usdahome?contentid=kyf_grants_nifa3_content.html



Additional Programs

- NIFA: **National Integrated Food Safety Initiative** grants fund integrated food safety projects addressing research, education, or extension.
<http://www.csrees.usda.gov/fo/foodsafetyicgp.cfm>
- NIFA: **Small Business Innovation Research** grants help small businesses (e.g., women-owned, economically disadvantaged) conduct high quality research, such as verifying operating procedures for raising natural beef.
www.usda.gov/wps/portal/usda/usdahome?contentid=kyf_grants_nifa5_content.html
- NIFA: **Sustainable Agriculture Research and Education** competitive grants are given to NGOs, researchers and producers for research and professional development to advance sustainable innovations, including testing marketing strategies for locally produced meat.
www.usda.gov/wps/portal/usda/usdahome?contentid=kyf_grants_nifa6_content.html
- NRCS: **Environmental Quality Incentives Program** provides assistance for livestock-related conservation practices and producers shifting to organic.
<http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/eqip/>



Additional Programs

- **RD: Rural Business Opportunity Grants** promote growth by supporting training and technical assistance for businesses in rural communities, including those wishing to explore market opportunities for local meat.

www.usda.gov/wps/portal/usda/usdahome?contentid=kyf_grants_rd2_content.html

- **RD: Small Socially-Disadvantaged Producer Grants** provides technical assistance to SSDPs (e.g., livestock producers) through eligible cooperatives and cooperative development centers.

http://www.rurdev.usda.gov/BCP_SSDPG.html



Research and Other Tools

- **The Know Your Farmer, Know Your Food Compass** contains information on USDA resources for locally-raised and marketed livestock and poultry and a map of projects funded by USDA. Search the map by the “local meat and poultry” theme or by keyword to identify resources for your specific type of project.
<http://www.usda.gov/kyfcompass>
- **Livestock research from USDA’s Economic Research Service:**
 - Slaughter and Processing Options and Issues for Locally-Sourced Meat:
<http://www.ers.usda.gov/publications/ldpm-livestock,-dairy,-and-poultry-outlook/ldpm216-01.aspx#.Uxd3oONdW7w>
 - Local Meat and Poultry Processing:
<http://www.ers.usda.gov/publications/err-economic-research-report/err150.aspx#.Uxd32uNdW7w>
- **Literature and compliance guides from USDA’s Food Safety and Inspection Service** (i.e. mobile slaughter, HACCP and food defense plans):
<http://www.fsis.usda.gov/wps/portal/fsis/topics/regulatory-compliance/compliance-guides-index>
- **ATTRA-National Sustainable Agriculture Information Service resources on livestock and pasture:**
<https://attra.ncat.org/attra-pub/livestock/>
- **Resources for small meat processors (including webinar and info on plant design and construction) from the Niche Meat Processors Assistance Network:**
http://www.extension.org/small_meat_processors



Potential Partners

- All USDA Service Centers:
<http://offices.sc.egov.usda.gov/locator/app>
- USDA Farm Service Agency local offices:
<http://www.fsa.usda.gov/FSA/stateOffices?area=stoffice&subject=landing&topic=landing>
- USDA NRCS Offices:
<http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/about/org/>
- USDA Risk Management Agency Regional Offices:
<http://www.rma.usda.gov/aboutrma/fields/rsos.html>
- USDA Rural Development Offices:
http://www.rurdev.usda.gov/recd_map.htm
- Cooperative Extension System Contacts:
<http://www.csrees.usda.gov/Extension/index.html>
- eXtension's Niche Meat Processor Assistance Network:
<http://www.nichemeatprocessing.org/>
- Land Grant Colleges and Universities:
http://www.csrees.usda.gov/qlinks/partners/lgu_map_4_22_13.pdf



For further information...



<http://www.usda.gov/kyfcompass>
<http://www.usda.gov/knowyourfarmer>
knowyourfarmer@usda.gov

Know Your Farmer, Know Your Food is a USDA-wide effort to carry out President Obama's commitment to strengthening local and regional food systems, support small and mid-sized farms and ranches, and create opportunities for economic development in Rural America. KYF2 helps strengthen USDA programs that serve local food producers, businesses and communities and develops tools to help the public access these programs. The initiative is carried out by a task force of USDA employees representing every agency within the Department.