

Southern Risk Management Education Center  
Final Report  
December 2015

“Managing Risk for Tennessee Producers in Small Scale Processing of Poultry”  
Project Number 10527

June 2014 – December 2015

**Need for a Grant**

More poultry producers are interested in considering and developing on-farm processing facilities. Producers may have their birds slaughtered and processed at a plant operating under a USDA-FSIS grant of inspection or they may process them at a plant operating under an exemption, such as the Producer/Grower 20,000 Bird Exemption.

Producers need to understand the processing exemptions available to them and the restrictions on the sources of the birds that may be slaughtered and processed and restrictions on how and where the meat may be sold. Poultry producers also need to understand the rules and restrictions and who to contact about federal and state regulations, processing procedures, labeling, food safety, waste and waste water handling, state retail meat permit, cost analysis and business planning.

The purpose of this grant is to educate Tennessee poultry growers about the importance and relevance of each of these risks and help them develop plans of action to address these risks. Education about these issues will enable poultry producers to manage these risks.

**Approach Taken for the Project**

An advisory team was assembled with individuals from USDA-FSIS (Kathleen McAnally and Marshall Williams), Tennessee Department of Environment and Conservation (Brad Harris and Wade Murphy), Tennessee Department of Agriculture Consumer and Industry Services Division (Mike Brown and Shannon Lively), Tennessee Department of Agriculture Market Development Division (Wendy Sneed), University of Tennessee Department of Food Science and Technology (Faith Critzer, Irene Hanning and Dwight Loveday), Tennessee State University Extension (Janie Becker), Tennessee Farm Bureau (Kevin Hensley), Process Management Consulting (Maggie Smith) and poultry producers and processors (Walter Bates, Sam Kennedy, Karen Overton, Brad and Tracy Smith, Cris and Sandy Watson and James Yoder). A teaching team consisting of specialists representing USDA-FSIS (Kathleen McAnally and Marshall Williams), Tennessee Department of Environment and Conservation (Wade Murphy), Tennessee Department of Agriculture Consumer and Industry Services Division (Mike Brown), Tennessee Department of Agriculture Market Development Division (Wendy Sneed), University of Tennessee Department of Food Science and Technology (Irene Hanning), Process Management Consulting (Maggie

Smith) and poultry producers and processors (Walter Bates and Amanda Carter) was selected. Plans were made to develop and conduct three all-day educational workshops called “Managing Risks of Small Scale Poultry Processing” on topics that would appeal to poultry producers and processors—USDA poultry exemptions, getting started with handling and processing of waste water, food safety in small scale poultry processing, marketing and labeling requirements, business management, expanding a poultry processing business through the Tennessee Ag Enhancement Program and humane handling during catch and transport.

Plans were made to hire an independent writer (Matt Ernst) to write a publication (fact sheet) about managing the risk of costs, regulations and food safety for on-farm poultry processing in Tennessee based on the presentations and notes from the three all-day educational workshops. The fact sheet would discuss these risks and ways these risks can be managed. Extension specialist Ken Macklin (Auburn University) was also asked to contribute to the publication. *Managing Risk: Costs, Regulations and Food Safety for On-farm Poultry Processing in Tennessee* CPA Info #244 is a 21 page fact sheet that has been printed and posted online at <https://ag.tennessee.edu/cpa>.

An evaluation form would be developed to assess Managing Risks of Small Scale Poultry Processing workshop participants’ overall improvement in knowledge of the topics presented and increase in understanding on these topics. The evaluation form from the Managing Risks of Small Scale Poultry Processing workshop is provided as Appendix A. The evaluation form asked participants their level of understanding before and after the workshop on the topics of how to comply with regulations in poultry processing, how to decrease their risk and liability in the marketplace, correct poultry processing procedures, how to meet HACCP plan requirements and voluntary General and Sanitary Operating Procedures, procedures of licensing, packaging and labeling for the sale of processed poultry products in the marketplace, food safety and recordkeeping and business planning. Participants were also asked how likely they were to use the information on the following topics in their business: using methods to reduce the risk of contamination, developing a voluntary on-farm processing plan to mitigate the risk associated with on-farm poultry processing, implementing changes to product labeling, beginning an on-farm processing plant and establishing a recordkeeping system. They were also asked to tell how they planned to use the information learned in the workshop, how the workshop could have been improved and information about the key resource, information or training still needed. Results from the evaluation forms would be used to improve these and future workshops. A six month post-workshop evaluation would be developed to measure the number of producers who started an on-farm poultry processing plant prior to the workshop and after the workshop, those planning to start a plant in the next year and the number of those who decided not to start a processing plant. The number of those using methods to reduce the risk of contamination, developing a voluntary on-farm processing plan to mitigate risks, developing or improving product labels and the number of those who have established a recordkeeping system would also be determined. The six month post-workshop evaluation form is provided as Appendix B.

Planning was conducted with Extension agents and specialists from USDA-FSIS, Tennessee Department of Environment and Conservation, Tennessee Department of Agriculture Consumer and Industry Services Division, Tennessee Department of Agriculture Market Development Division, University of Tennessee Department of Food Science and Technology, Tennessee Farm Bureau, Process Management Consulting and with poultry processors and independent poultry producers to conduct three all-day workshops in January 2015. A promotional postcard and news release were developed to announce the poultry processing workshops and these are provided as Appendix C and Appendix D. Planning was also conducted with agents and specialists to offer 7 additional presentations at Farmers Market Boot Camp workshops about marketing and labeling requirements. The workshops and contacts are summarized in Table 1.

**Table 1. Summary of Deliverables, Events and Contacts for the Managing Risks for Tennessee Producers in Small Scale Processing of Poultry Project**

	<b>Grant Year 1 July 2014—June 2015</b>	<b>Cumulative Totals (# of Meetings)</b>	<b>Cumulative Totals (# of Contacts)</b>
# of planning meetings conducted	1	1	
# of contacts at planning meetings	31		31
# of Poultry Processing Workshops conducted	3	3	
# of contacts at Poultry Processing Workshops	109		109
# of Farmers Market Boot Camp Workshops where Marketing and Label Requirements presentation was given	7	7	
# of contacts at Farmers Market Boot Camp Workshops where Marketing and Label Requirements presentation was given	182		182
<b>Total Contacts</b>			<b>322</b>

### **Results of the Program**

A goal was set for 90 participants to attend the Managing Risks of Small Scale Poultry Processing workshops and gain an understanding in: how to comply with regulations in poultry processing and decrease their risk and liability in the marketplace, correct poultry processing procedures and how to meet HACCP plan requirements and voluntary General & Sanitary Operating Procedures, procedures of licensing, packaging and labeling for the sale of processed

poultry products in the marketplace, food safety, recordkeeping and business planning. At the three workshops 109 attended and 65 completed evaluation forms for a 60 percent response rate. The following said they gained an understanding of these topics: 65 improved their understanding in how they can comply with regulations in poultry processing and decrease their risk and liability in the marketplace, 54 improved their understanding of correct poultry processing procedures and how to meet HACCP plan requirements and voluntary General & Sanitary Operating Procedures, 53 improved their understanding of procedures of licensing, packaging and labeling for the sale of processed poultry products in the marketplace, 31 improved their understanding of food safety and 27 improved their understanding of recordkeeping and business planning.

Goals were set to have 5 participants commit to developing their own voluntary on-farm processing plan to mitigate the risk associated with on-farm poultry processing, 5 participants would commit to implementing changes to their product labeling, 5 would begin an on-farm processing plan and 5 would establish a recordkeeping system. At the end of the workshops 9 committed to developing their own voluntary on-farm processing plans, 8 committed to implementing changes to their product labeling, 9 committed to beginning an on-farm processing plan and 7 said they would establish a recordkeeping system. In the six month post-workshop evaluation, 7 said they had already started an on-farm processing plant prior to the workshop, 3 started an on-farm processing plant after the workshop, 1 had not yet started an on-farm processing plant but planned to do so within the next year and 8 decided not to develop an on-farm processing plant. Nine said they had used methods presented in the workshop to reduce the risk of contamination, 9 developed a voluntary on-farm processing plan to mitigate risks, 8 used information presented to develop or improve product labels and 7 established a recordkeeping system. More information about the results from the workshop evaluation and the six month post-workshop evaluation is available online at <https://ag.tennessee.edu/cpa/Information%20Sheets/CPA239.pdf>.

### **Progress made to achieve the Long-Term Outcome of the Program**

Participants at Managing Risks of Small Scale Poultry Processing increased their knowledge about how to comply with regulations in poultry processing, how to decrease their risk and liability in the marketplace, correct poultry processing procedures, how to meet HACCP plan requirements and voluntary General and Sanitary Operating Procedures, procedures of licensing, packaging and labeling for the sale of processed poultry products in the marketplace, food safety, recordkeeping and business planning. Participants completing an evaluation at the workshop said they were “very likely” to establish a recordkeeping system and use methods to reduce the risk of contamination. They were “likely” to commit to developing a voluntary on-farm processing plan to mitigate the risk associated with on-farm poultry processing and “likely” to implement changes to product labeling. They were “somewhat likely” to begin an on-farm processing plant.

The fact sheet *Managing Risk: Costs, Regulations and Food Safety for On-farm Poultry Processing in Tennessee* CPA Info #244 will be useful as specialists and agents continue to teach

about managing the risks associated with poultry processing in one-on-one consultations with producers and in workshop settings. Long term outcomes anticipated are participants' improved ability to make informed decisions about building a processing facility and processing under an exemption or under USDA-FSIS grant of inspection, increase sales, develop poultry products that comply with best practices for food safety, calculate costs of production and develop poultry products that are compliant with rules and regulations.

### **Beneficiaries**

Beneficiaries include poultry producers and processors and Extension agents who participated in the workshops and received training on complying with regulations in poultry processing, correct poultry processing procedures and how to meet HACCP plan requirements and voluntary General and Sanitary Operating Procedures, procedures of licensing, packaging and labeling for the sale of processed poultry products in the marketplace, food safety, recordkeeping and business planning. Consumers benefit when producers and processors slaughter, process, transport, store and handle poultry products safely.

### **Lessons Learned**

Many Tennessee poultry producers are surprised to learn there is no agency to which they may apply for permission to slaughter and process poultry under one of the exemptions. However, the exempt producer may be subject to USDA inspection at any time. To qualify for processing under one of the exemptions, the processor must slaughter poultry or process poultry products under sanitary conditions using procedures that produce sound, clean poultry products fit for human food. Producers planning to process poultry under exemption should contact their local USDA-FSIS officials or the Small Plant Help Desk at <http://www.fsis.usda.gov/wps/portal/fsis/programs-and-services/contact-centers/small-plant-help-desk> to make sure their planned facilities are in compliance with USDA requirements.

### **Additional Information**

The fact sheet *Managing Risk: Costs, Regulations and Food Safety for On-farm Poultry Processing in Tennessee* CPA Info #244 may be found at <https://ag.tennessee.edu/cpa>.

The fact sheet *2015 Managing Risks of Small Scale Poultry Processing Workshop Evaluation Summary* CPA Info #239 may be found at <https://ag.tennessee.edu/cpa/Information%20Sheets/CPA239.pdf>.

Center for Profitable Agriculture website: <https://ag.tennessee.edu/cpa/Pages/default.aspx>

## Contact Information for the Sub-Recipient

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Photos from the planning meeting in Spring Hill (August 20, 2014) and poultry processing workshops in Cleveland (January 27, 2015) and Lexington (January 29, 2015):



*Figure 1 Hal Pepper conducts planning meeting for small scale poultry processing workshops*



*Figure 2 Workshop participants in Cleveland learn about poultry processing exemptions and the language in the Poultry Products Inspection Act*



*Figure 3 Walter Bates discusses equipment used in his poultry processing facility*



*Figure 4 Amanda Carter talks about processing at the Foothills Pilot Plant in North Carolina*



*Figure 5 Hal Pepper talks about business management considerations for poultry processors*





*Figure 6 Participants in Lexington discuss pros and cons of processing poultry under producer-grower exemptions and USDA-inspection*

## Appendix A

### Managing Risks of Small Scale Poultry Processing Evaluation Form

January 27, 2015 – McDonald, TN  
 January 28, 2015 – Murfreesboro, TN  
 January 29, 2015 – Lexington, TN

Thank you for your participation in this workshop and for providing valuable feedback about your experience on this evaluation form.

1. For each of the topics listed below, please rate your level of understanding on a scale of "None" to "A lot" **BEFORE the workshop** AND **AFTER the workshop**. For each topic, circle an understanding rating in the "Before the Workshop" column AND a rating in the "AFTER the Workshop" column.

Topic	BEFORE the Workshop				AFTER the Workshop			
	None	Little	Some	A lot	None	Little	Some	A lot
How to comply with regulations in poultry processing								
How to decrease your risk and liability in the marketplace								
Correct poultry processing procedures								
How to meet HACCP plan requirements and voluntary General & Sanitary Operating Procedures								
Procedures of licensing, packaging and labeling for the sale of processed poultry products in the marketplace								
Food safety								
Record keeping and business planning								

2. Please rate each statement about potential impacts of the information learned at this workshop on your business on a scale of "Not At All Likely" to "Extremely Likely."

Due to this workshop.....	Not At All Likely	Somewhat Likely	Likely	Very Likely	Extremely Likely
How likely are you to use methods to reduce the risk of contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How likely are you to commit to developing your own voluntary on-farm processing plan to mitigate the risk associated with on-farm poultry processing?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How likely are you to implement changes to your product labeling?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How likely are you to begin an on-farm processing plant?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How likely are you to establish a recordkeeping system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PLEASE ANSWER THE QUESTIONS ON THE OTHER SIDE

3. How do you plan to use the information you learned at today's workshop?

4. How could this workshop have been improved?

5. What is the key resource, information or training you still need?

Programs in agriculture and natural resources, 4-H youth development, family and consumer sciences, and resource development.  
University of Tennessee Institute of Agriculture, U.S. Department of Agriculture and county governments cooperating.  
UT Extension provides equal opportunities in programs and employment.

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## Appendix B

### Six Month Post-Workshop Evaluation Form

1. Please choose one of the following that best describes you.  
 I had already started an on-farm poultry processing plant prior to the workshop.  
 I started an on-farm poultry processing plant after the workshop.  
 I have not yet started an on-farm processing plant but plan to do so in the next year.  
 I decided not to develop an on-farm poultry processing plant.  
 I am an industry partner and not a producer.
2. Please indicate whether or not you have done the following since the workshop.  
 Used methods presented in the workshop to reduce the risk of contamination.  
 Developed a voluntary on-farm processing plan to mitigate risks.  
 Used information presented to develop or improve product labels.  
 Established a recordkeeping system.
3. If you decided not to develop an on-farm poultry processing plant, why was this decision made?
4. The granting agency asks us to provide them with specific success stories related to the project. In the space below, please share how you used the knowledge, skills and tools gained from this workshop and how implementing it has impacted your farm or organization. If you are willing, please include your name and farm, business or organization name so we can connect impacts with real people.
5. What is the key resource, information or training you feel is still needed to assist you with a value-added poultry processing enterprise?

Programs in agriculture and natural resources, 4-H youth development, family and consumer sciences, and resource development.  
University of Tennessee Institute of Agriculture, U.S. Department of Agriculture and county governments cooperating.  
UT Extension provides equal opportunities in programs and employment.

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## Appendix C

### Promotional Postcard Announcing the Poultry Processing Workshops



MANAGING RISKS OF  
**SMALL SCALE POULTRY PROCESSING**

*A workshop for processing and direct marketing poultry*

**JANUARY 27, 2015 | CLEVELAND, TN**  
**JANUARY 28, 2015 | MURFREESBORO, TN**  
**JANUARY 29, 2015 | LEXINGTON, TN**

9:30 A.M. – 4 P.M. (*local time*)

9 – 9:30 A.M. – *Check-in/networking*

PRE-REGISTER BY JANUARY 22 AT

<http://tiny.utk.edu/poultry>

COST \$20  
(*includes lunch*)

MANAGING RISKS OF  
**SMALL SCALE POULTRY PROCESSING**



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TOPICS INCLUDE:

- *USDA Poultry Exemptions*
- *Getting Started – Handling and Processing of Wastewater*
- *Food Safety in Small Scale Processing of Poultry*
- *Marketing and Labeling Requirements*
- *Business Management 101 for the Small Scale Poultry Processor*
- *Expanding Your Value-Added Business Through Tennessee Ag Enhancement Program*
- *Humane Handling During Catch and Transport*

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FOR MORE INFORMATION VISIT  
<https://ag.tennessee.edu/cpa/Pages/workshops2012.aspx>

OR CONTACT HAL PEPPER  
931-486-2777 | [hal.pepper@utk.edu](mailto:hal.pepper@utk.edu)

*This workshop fulfills a TAEP requirement only in Value-Added sectors with farm fresh meat projects.*



## Appendix D

### News Release Announcing the Poultry Processing Workshops

**From:** UT Institute of Agriculture News and Information  
**Sent:** Wednesday, December 17, 2014 1:15 PM  
**Subject:** News Release - UT Workshop To Help Poultry Farmers



### News and Information from the University of Tennessee Institute of Agriculture

Contact: Patricia McDaniels, UTIA Marketing and Communications, 615-835-4570,  
[pmcdaniels@tennessee.edu](mailto:pmcdaniels@tennessee.edu)

For Release  
December 17, 2014

#### **UT Workshop To Help Poultry Farmers**

*Preregister by Jan. 22 to learn about processing and direct marketing opportunities*

SPRING HILL, Tenn. — Proper business planning and understanding risks are important considerations for any business says Hal Pepper, financial analysis specialist with the University of Tennessee Extension Center for Profitable Agriculture. “Poultry farmers who understand the exemptions and regulations associated with processing poultry are in a better position when it comes to evaluating value-added opportunities.”

In January, Pepper along with Irene Hanning from the UT Department of Food Science and Technology and others will present a full-day workshop designed to help poultry farmers learn about processing poultry safely and assessing the costs and opportunities associated with on-farm poultry processing.

The workshop, “Managing Risks of Small Scale Poultry Processing,” will present information about USDA poultry exemptions, considerations for getting started and handling/processing wastewater, food safety, marketing and labeling requirements, business management, expanding a value-added business through the Tennessee Ag Enhancement Program and humane handling during catch and transport of birds. Speakers from UT, USDA, Tennessee Department of Environment and Conservation (TDEC) and Tennessee Department of Agriculture (TDA) will make presentations. The workshop is designed for small poultry farmers who are considering processing their birds and direct marketing the meat.

“Managing Risks of Small Scale Poultry Processing” will be held on the following 2015 dates in the following locations: Jan 27—Cleveland, Tenn.; Jan 28—Murfreesboro, Tenn.; and Jan 29—Lexington, Tenn.

The workshop will begin at 9:30 a.m. (local time) and end by 4 p.m. Check-in and networking will start at 9 a.m. The pre-registration deadline is January 22, and pre-registration is required as space is limited.

There is a \$20 registration fee for these workshops and a meal is included. Pre-registration information for the workshop is available on the Center for Profitable Agriculture’s website at <http://ag.tennessee.edu/cpa>. Click the top link “Educational Events” for a list of workshops and more details. For more information you may also contact Hal Pepper at 931-486-2777 or by email

[hal.pepper@utk.edu](mailto:hal.pepper@utk.edu). This workshop fulfills a TAEP requirement only in Value-Added sectors with farm-fresh meat projects.

The “Managing Risks of Small Scale Poultry Processing” was developed by the UT Center for Profitable Agriculture through funding provided by the Southern Risk Management Education Center.

The Center for Profitable Agriculture is a joint effort of University of Tennessee Extension and the Tennessee Farm Bureau Federation. UT Extension provides a gateway to the University of Tennessee as the outreach unit of the UT Institute of Agriculture. With an office in every Tennessee county, UT Extension delivers educational programs and research-based information to citizens throughout the state. In cooperation with Tennessee State University, UT Extension works with farmers, families, youth and communities to improve lives by addressing problems and issues at the local, state and national levels.

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Contact:

Hal Pepper, Center for Profitable Agriculture, 931-486-2777, [hal.pepper@utk.edu](mailto:hal.pepper@utk.edu)

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Text available online at [UTIA news](#).

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