
MEMORANDUM

TO: FOOD PROGRAM
FROM: FRANK GREENE, DIRECTOR, DIVISION OF FOOD & STANDARDS
SUBJECT: POLICY COMPLIANCE GUIDELINES FOR SALE OF MEAT AT RETAIL
DATE: DECEMBER 19, 2011

Questions have come up with respect to retail exemption from inspection of USDA slaughtered and processed meat. The exemption covers further processing of quarter or halves of those animals requiring USDA FSIS inspection the so-called *Butcher Shop Exemption*. This guidance does not seek to answer questions on compliance with USDA FSIS regulatory compliance, compliance with all applicable laws is the sole responsibility of the retailer. It does however explain the Department's policy with respect to the retail sale of further processed inspected meat including those products sold at Farmer's Markets.

The Department of Consumer Protection authority and jurisdiction in this area is through the statutes and regulations promulgated under Connecticut's Uniform Food and Drug Act, specifically sections §21a-100 and §21a-101 and Connecticut's Unfair Sales Practices Act §42-115m. Authority over local health officials is neither intended nor implied.

This material has been developed from material produced by the University of Florida Extension Service¹.

Retail Exemption

Retail establishments, such as grocery stores and markets, are exempt from federal inspection during further processing of inspected meat products, provided the meat was derived from animals slaughtered under either state or federal inspection. There are distinct requirements under this exemption specifying what a retail exempt facility can and can not do. A retail market can not:

1. Slaughter without Federal inspection;
2. Conduct meat canning without Federal inspection;
3. Sell to other retail markets; or

¹ Carr, Chad, Larry Eubanks, and Ryan Dijkhuis. "Custom and Retail Exempt Meat Processing." UF Extension Publication # AN204

4. Sell to wholesalers or distributors.

The primary initiative of a retail exempt facility is to sell fresh or frozen meat products to consumers for household consumption. To distinguish between purchasing for personal household consumption and purchasing for resale, the USDA has limitations on a “normal retail quantity” a customer can purchase and a processor can provide. The limitations per meat animal species are listed as follows:

- Cattle – 300 pounds
- Calves – 37.5 pounds
- Sheep - 27.5 pounds
- Swine – 100 pounds
- Goats – 25 pounds

A retail-exempt processor can also sell products to food service (caterers, hotels, and restaurants), provided that:

1. The current processor’s total sales to food service do not exceed FSIS’s annual dollar limitations for retail sales, is \$ \$61,900;
2. The processor’s total sales to food service do not exceed 25% of their total annual sale;
3. The processor only sells fresh products, (fermented, dried or smoked products as an example would not be allowed under this exemption).
4. The annual dollar limitations for retail sales of meat products can be found within the federal register at <http://www.fsis.usda.gov/OPPDE/rdad/FRPubs/2011-0004.pdf>

The requirements for selling products direct to customers or to food service are very specific and restrictive, and some common questions involving them include:

Question - Is there a restriction on how often a consumer can purchase a “normal retail quantity” of product of a given species?

Answer – No. However, a consumer should not receive more than a “normal retail quantity” of a given species at one time.

Question - Can processors sell consumers a “normal retail quantity” of more than one species at the same time?

Answer – Yes.

Question - What is or is there a “normal retail quantity” restriction for selling ground product direct to consumers?

Answer – Yes. It would be the same as the “normal retail quantity” of product of a given species.

Question - How do processors control how a product is used after its purchase?

Answer – If a consumer is buying a large volume of product the processor should ask how it will be used. However, it is almost impossible to police how products are used after selling.

Question - Can retail exempt products originating from federally inspected product be shipped and sold to customers between states via U.S. Mail?

Answer – Yes, retail exempt products can be shipped via common carrier to interstate consumers if the products were only derived from federally inspected products. However, the products can not have an inspection legend.

Question - Can a retail exempt processor sell an uncured, uncooked, un-smoked fresh sausage to food service within the limits of the retail exemption regulations?

Answer – Yes, a retail store may cut, trim, slice, grind, or freeze, products made from meat even if the products are multi-ingredient and sell them to food service consumers within the monetary limits set out by FSIS

The last primary FSIS restriction states a processor can market retail exempt products from two different stores. The specific USDA requirements for the stores are that:

1. The processor must own the facility or pay for the facility’s usage, and,
2. The processor must not have more than two markets open at the same time. **A retail-exempt processor can have a permanent retail store and sell at a farmer’s market, as well as having a roadside stand or truck, as long as no more than two selling points were open on the same day.** Additionally, if the processor opens a third store, one of the facilities would have to be inspected by FSIS.

The FSIS exemptions associated with custom or retail exempt meat processing can be confusing. The FSIS provides email alerts on numerous topics, including the publication of documents in the Federal Register. Users can subscribe to the list at:

http://www.fsis.usda.gov/News_&_Events/Email_Subscription/index.asp. Additional information about retail exemption can be found on the American Association of Meat

Processors website on retail exemption at
<http://www.aamp.com/regulatory/retail exemption.asp>.

References

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