



Approaches to Processing Poultry Meat for Sale

Navigating Regulations across the United States

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This publication provides an overview of the main approaches to processing poultry meat with respect to regulations. It includes a resource table to facilitate access to government regulations and agencies, Cooperative Extension and nonprofit resources, and provides practical guidance from producer and processor networks for pastured poultry producers and niche meat processors. The best approach for your farm depends on the species you raise, your state and location, your sales volume, and intended customers.

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Broiler carcasses exiting an automated feather-picking machine. Photo: Mark Freeman

Poultry-Processing Regulations: Choosing an Approach for your Farm

What is the most appropriate approach for your farm to process poultry meat for sale? Does it make sense to process your birds on-farm, take them to be processed in an existing USDA-inspected plant or state-licensed facility, or establish a new plant? Processing must be legal, sanitary, and humane, as well as practical and economically viable. Production, processing, and marketing all need to be aligned with your land, farm business, and family priorities. The approach that is right for your farm depends on the species you raise, your state and location, your sales volume, and intended customers. The approach you take to processing may change over time according to your farm goals, poultry-

enterprise scale of production, human resources, and market opportunities.

There are two main approaches to processing poultry meat for sale with respect to federal regulations: A) USDA inspected; or B) Exempt from USDA inspection. The fundamental goal is the same no matter where you process your birds. Regulations for inspection and exemption are intended to ensure that poultry products are “wholesome, not adulterated, and properly marked, labeled, and packaged,” as described in the Poultry Products Inspection Act (PPIA).

Federal regulations describe requirements of the physical plant set-up and procedures for a

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USDA poultry meat inspector to provide direct, daily, on-site oversight and inspection of every bird processed in a USDA plant. Markets rely on USDA’s framework for quality control and recognize the mark of “USDA inspected and passed” as assurance that the product is safe to sell at retail and wholesale.

Outside the framework of USDA inspection, yet fulfilling the big-picture goal of wholesome food, is an approach to processing under USDA inspection exemption. When you, as the producer, meet USDA inspection exemption criteria, you oversee quality control procedures yourself. Processing under USDA exemption can take place on your own farm or in your own facility, or in a state-licensed facility, allowing you to legally sell a relatively small number of birds directly to customers who will consume the meat or use it to prepare meals. The specifics depend on the exemption you choose, and further limitations of state and local regulations, which can be more restrictive. These marketing limitations are based on a set of assumptions that product processed with less direct government oversight can be safe when managed on a smaller scale, by a prescribed set of participants, and sold to limited types of customers. Regulations for processing in a state-licensed facility vary by state. There is further explanation in the section on the variety of state-licensed facilities.

USDA Inspection

Processing poultry in a USDA plant provides the greatest flexibility for marketing. You can sell an unlimited number of birds and poultry products to any type of customer, anywhere within your state, district, or territory, as well as across state lines through interstate commerce. Continuous bird-by-bird inspection is done by a USDA poultry meat inspector. Compliant products are labeled “USDA inspected and passed.” USDA defines “poultry” or “amenable species” as “any domesticated bird: chickens, turkeys, ducks, geese, guineas, ratites, or squabs, also termed young pigeons one to thirty days of age.” Costs for mandatory USDA inspection of amenable species are covered by taxpayers.

Non-amenable species, such as pheasant, quail, and captive-raised waterfowl, may be processed in a USDA plant, but because USDA inspection is voluntary, not mandatory, inspection costs are paid by the producer. Non-amenable species are typically processed in state-licensed plants according to state regulations, or by the producer under state inspection exemptions for sale directly to consumers. USDA inspection of rabbits, like other non-amenable species, is voluntary. Refer to your state’s regulations for further guidance. (California considers rabbits to be poultry with respect to processing regulations.)

Table 1: Approaches to Processing Poultry Meat for Sale with Respect to USDA Regulations

Approach	Inspection	Marketing	Limitations	Labeling*
USDA Inspected Plants (includes state plants with meat inspection programs “equal to” USDA)	“Continuous” bird-by-bird inspection conducted by a USDA inspector	Any customer; Intrastate sales or Interstate commerce	No limit on number of birds or production volume. “Amenable species” per the USDA definition of “Poultry” include chickens, turkeys, ducks, ratites, squabs (pigeons 1-30 days of age).	“USDA inspected and passed”
Exempt from USDA Inspection (on-farm, or state-licensed, but not “equal to” USDA)	Exemption from USDA inspection only. Must meet other provisions of the PPIA, and state and local regulations.	Sold within state only** Customer limitations depend on the exemption.	Operate under one exemption per year. Maximum number of birds a producer or business may <i>slaughter</i> is 20,000/year. State and local regulations may be more restrictive.	“Exempt P.L. 90-492”

*Name and address of processor and safe handling instructions are always required. Additional information is required depending on exemption type and/or approach.

** Interstate commerce may be allowed where state-inspected establishments are participating in Cooperative Interstate Shipment Program. Check with your state and USDA.

Steps to Processing in a USDA Plant

First, identify a USDA-inspected plant that will process your birds. Talk to people with direct experience in your producer or processor networks, such as the American Pastured Poultry Producers Association (APPPA), and Niche Meat Processor Assistance Network (NMPAN). Of the many USDA plants listed in the Food Safety Inspection Service (FSIS) *Meat, Poultry and Egg Product Inspection Directory*, only a few do fee-for-service processing for independent producers. Find these in NMPAN's *Find a Processor* list. NCAT's database of *Small Poultry Processing Plants and Services* includes all types of plants, is self-listing and would be more complete if you list yours!

The ATTRA publication *Working with your Meat Processor* provides tips for building effective relationships with processors. Understand services and requirements for clear expectations about type of processing and whether they provide packaging, cost, and volume. Do you produce a sufficient and predictable number of birds? Some plants will process small numbers; others prefer or require regular batches of several hundred birds. Transporting birds can be time-consuming and stressful to both birds and people. Plan your schedule ahead. Withhold feed at least 12 hours prior to processing and crate birds the night before. Transport live birds to the plant at your appointment time, usually early in the morning. Show up on time. Wait for birds to be processed, and then pick up and deliver poultry products to your markets and customers.

Overhead costs related to processing in an existing USDA plant include management time to find a processor and work out arrangements, as well as investment in transport equipment, including crates for delivering birds to processing, and packaging/containers, vehicles, and cold storage to pick up and deliver processed birds to customers (and cold-storage facilities, if appropriate). Depending on your customers, if you sell wholesale, you will probably need to register your storage facility with USDA-FSIS. Contact USDA's Small Plant Help Desk to clarify how federal regulations apply to your operation.

Operating costs for processing each batch of birds include not only per-bird processing fees,

but also trip-related expenses such as preparation and transport time, mileage, and expenses. The processing plant is responsible for many details, such as cleaning, sanitation, and waste management, which saves labor compared to on-farm processing. Consider your options, the practical upsides and downsides, and economic viability of each approach. Compare economics of on-farm vs. inspected processing in the context of your farm production and marketing goals.

Exemption from USDA Inspection

The Poultry Products Inspection Act (PPIA) requires inspection but provides certain exemptions. When you meet the criteria for an exemption from USDA inspection, you can process your own birds on-farm or in your own off-farm facility, or in a state-licensed facility (in those states that do not operate a meat and poultry inspection program that is equivalent or "equal to" USDA inspection; see details in State-Licensed Facilities). You may operate under only one type of exemption each calendar year.

Exemption is from inspection only; operations must comply with all other applicable federal, state, and local regulations, many of which are more limiting than federal exemptions. Federal, state, and local regulations address many additional topic areas, such as zoning, building codes, facilities, workers, food safety, labeling, water, and waste management.

Criteria in the PPIA that are common to all USDA inspection exemptions include the following:

- A. Slaughter only healthy poultry
- B. Use sanitary slaughter and processing practices to produce a wholesome product
- C. Properly label your production: "Exempt PL 90-492" (required if you produce more than 1,000 birds/year; recommended if <1,000 birds/year) and state labeling requirements, as appropriate. All poultry labels (inspected or exempt) must include, at a minimum, the name and address of the processor (responsibility statement) and safe-handling instructions.

Exemptions are described in *Guidance for Determining Whether a Poultry Slaughter or*

Do you produce a sufficient and predictable number of birds? Some plants will process small numbers; others prefer or require regular batches of several hundred birds.

Processing in a USDA-inspected plant or a state plant equal to a USDA plant provides the widest array of marketing options, allowing you to process an unlimited number of birds and diversify your marketing strategies to sell any volume of poultry meat.

Processing Operation is Exempt from Inspection Requirements of the Poultry Products Inspection Act. Read these regulations carefully; each USDA Exemption includes detailed criteria and notes that describe specific limitations and requirements.

The following are the USDA Exemptions commonly chosen by producers:

- *Producer/Grower Exemption* allows for slaughter of birds you raised (<1,000, or <20,000 birds per year), either for direct sale or to other businesses for resale as meat or meals, including a distributor, hotel, restaurant, retail store, institution, or small enterprise.
- *Producer, Grower or Other Person (PGOP) Exemption* allows for sale of poultry (up to 20,000 birds per year) directly to household consumers, restaurants, hotels, and boarding houses for the preparation of meals.
- *Small Enterprise Exemption* allows for raising or purchasing of poultry (<20,000 birds per year), with processing limited to cutting up of poultry (not grinding or making sausage) for sale to household consumers, hotels, retail stores, restaurants, or similar institutions.
- *Retail Exemption* allows for poultry that have already passed USDA or state inspection to be cut up, boned, stuffed, smoked or rendered, and packaged for direct sale (no resale). An unlimited quantity of product may be sold directly to consumers for their

own use. Product may be sold to hotels, restaurants, and institutions according to the limitations specified in the criteria for this exemption: 25% of total poultry sales, or no more than the amount specified by FSIS Retail Exemptions Adjusted Dollar Limitations for the given year. For example, poultry may be cut into parts, marinated, packaged and sold at a meat counter, butcher shop, or farmers market in quantities reasonable for household or restaurant use.

State-Licensed Facilities (with USDA Exemption)

Some states operate their own Meat and Poultry Inspection (MPI) program that is considered “equal to” USDA Inspection. If you live in one of those states, you need not concern yourself with this section. Processing in a USDA-inspected plant or a state plant equal to a USDA plant provides the widest array of marketing options, allowing you to process an unlimited number of birds and diversify your marketing strategies to sell any volume of poultry meat.

If your state operates a program to license and inspect poultry plants, but its MPI program is “designated” or not “equal to” USDA, processing in state-licensed facilities must also meet the criteria one of the USDA inspection exemptions. Be aware that states have not uniformly adopted USDA exemptions. The Farm-to-Consumer Legal Defense Fund offers a *State-by-State Review of On-Farm Poultry Processing Laws, Poultry Map and Chart*, and details about the legality of slaughter

Starting a Processing Plant

If your farm has sufficient volume of production, you may consider establishing your own processing plant. Contact USDA or your state department of agriculture for information on developing a USDA-inspected or state-licensed poultry processing plant. State-licensed processing with intrastate sales may provide sufficient market options for producers in large states, whereas producers in smaller states with markets across state borders may need USDA inspection so their products can enter interstate commerce. Starting a state-licensed plant can be an end in itself, or a decisive step toward establishing a USDA facility. In one of many informative webinars presented by the Food Animal Concerns Trust, Farmer Bruce Hennessy of Maple Wind Farm highlighted the importance of processing approaches to decisions about scaling up pastured poultry production. After beginning with a state-licensed facility (using a prefabricated “Plant in a Box” processing facility), Maple Wind Farm now operates a USDA-inspected facility to process birds for other farms, in addition to their own farm’s poultry production.

Production and processing are separate farm enterprises. Assess the best fit for your farm by thoroughly researching different approaches. Learn from the experiences of other producers across the country through NMPAN’s *Testing The Idea: Using Existing Research to Assess Meat Processing Options*. NMPAN’s website includes an invaluable four-part series in *A Beginner’s Guide to Local Meat Processing*, for people considering operating their own plants. NMPAN has recordings of past webinars available online, including *Cost Analysis: Are you making money?*

and sale of poultry meat processed under USDA exemption. Processing poultry in a state-licensed facility may allow you to sell products within your state, territory, or district. It does not allow you to sell through interstate commerce (unless specific conditions are met under the Cooperative Interstate Shipment Program).

Processing in a state-licensed plant, while also meeting criteria for a USDA inspection exemption (if that plant is not “equal to” USDA), expands your legal marketing options and enables you to grow your poultry production business up to the limits of each USDA exemption (slaughter of up to 20,000 birds). If your poultry enterprise pencils out to be economically viable within these number limits, then a state-licensed facility may be an appropriate approach to process your poultry, as well as any “non-amenable” species you raise, such as pheasant, quail, or waterfowl.

As you develop your approach, do so with consideration not only for federal exemptions, but also state exemptions and local regulations. Even though several USDA Exemptions allow sales to different types of customers, many states restrict the sale of uninspected poultry. State regulations vary with respect to their inspection exemption requirements. Many are more restrictive than federal exemptions. Find a way to see clearly through all the regulatory frames at the same time. Your approach to processing must fulfill federal, state, and local regulatory frameworks simultaneously. Some regulations appear to prohibit shared use of facilities, or fee-for-service processing for other producers, such that you would need to establish your own state-licensed plant to process your own production. However, there is nuance to understanding pathways to compliance at the intersection of USDA inspection exemption criteria and state regulations, such as ownership of birds at the time of slaughter and location of mobile processing units operating as state-licensed facilities.

Learn more about your state’s regulations for processing, inspecting, and marketing the types of birds you raise by contacting relevant state agencies and reading relevant regulations. NMPAN’s State Poultry Processing Regulations can help you identify regulatory entities and resources in your state. Specific regulation and agency names may vary by state. They may include agencies such as the state Department of Food

and Agriculture, County Health Department, and other agencies, and regulations such as Food and Agricultural Code, Health and Safety Code, or Food Retail Code.

Processing Your Own Poultry (under USDA and State Inspection Exemptions)

Processing poultry yourself can be appropriate when you produce a relatively small number of birds and market poultry meat directly to consumers. To sell poultry products that you process, you must qualify for both USDA and state inspection exemptions. USDA exemptions allow for slaughter of up to 20,000 birds per year; state exemption limits may be lower. Exempt processing may be done either on-farm or at another facility operated by the producer.

Processing on-site where poultry are raised has several potential advantages, including reducing the time and stress of long-distance transport. Nonetheless, doing your own processing involves an investment of time and money to plan and set up your processing facility, purchase equipment,

Orient yourself to processing procedures. The following guides include generally reliable principles. However, everything is developed in a context of time and place, regulations, and assumptions. As you develop your own procedures, always verify that your proposed practices align with current regulations in your state and region.

- *Small-Scale Poultry Processing*, ATTRA
- *Best Practices Guide to Open-Air Poultry Slaughter*, NMPAN
- *On-Farm Poultry Slaughter Guidelines*, Butte County, California
- *Managing Risk: Costs, Regulation and Food Safety for On-farm Poultry Processing in Tennessee*, UT Extension
- *Managing Water in Poultry Processing*, University of California

As you develop your approach, do so with consideration not only for federal exemptions, but also state exemptions and local regulations.

and develop protocols for food safety and environmental health.

The work of processing birds includes pre-slaughter preparations, immobilizing, killing and bleeding, blood recovery, scalding, plucking, eviscerating, cooling, packaging and labeling, proper storage, transport, and delivery to customers. To become proficient in processing, there is no substitute for hands-on learning with an experienced practitioner—and practice. Poultry processing requires skill, hard work, and a commitment to food safety, quality control, and essential recordkeeping.

Consistent quality-control procedures ensure wholesome food, worker health and safety, and

sound business practices. Several resources (see page 7) outline processing steps, required recordkeeping, sanitizer materials and dilutions, and key components of a Hazard Analysis and Critical Control Point, or HACCP, Plan, including Standard Operating Procedures (SOPs) and Standard Sanitation Operating Procedures (SSOPs). They also address the other essential tasks of processing waste water and offal management. Whether you process on-farm or take your birds to be processed in a USDA-inspected plant or state-licensed facility, these are essential tasks. Either you pay a processing facility to do the work, or commit to the responsibility of doing it yourself.

Notes

Further Resources

Organization / Website	Useful Links
<p>U.S. Department of Agriculture (USDA) Food Safety Inspection Service (FSIS) fsis.usda.gov</p>	<ul style="list-style-type: none"> -Poultry Products Inspection Act (PPIA), www.fsis.usda.gov/wps/portal/fsis/topics/rulemaking/poultry-products-inspection-acts -Small Plant Help Desk, www.fsis.usda.gov/wps/portal/fsis/topics/regulatory-compliance/svsp/sphelpdesk -Meat and Poultry Inspection Plant Directory, www.fsis.usda.gov/wps/portal/fsis/topics/inspection/mpi-directory -Guidance for Determining Whether a Poultry Slaughter or Processing Operation is Exempt from Inspection Requirements of the Poultry Products Inspection Act, www.fsis.usda.gov/wps/wcm/connect/0c410cbe-9f0c-4981-86a3-a0e3e3229959/Poultry_Slaughter_Exemption_0406.pdf?MOD=AJPERES -Non-amenable species, https://ask.usda.gov/s/article/What-are-nonamenable-species
<p>Food and Drug Administration (FDA) fda.gov</p>	<ul style="list-style-type: none"> -HACCP Principles & Application Guidelines, www.fda.gov/food/hazard-analysis-critical-control-point-haccp/haccp-principles-application-guidelines
<p>National Center for Appropriate Technology (NCAT), ATTRA Sustainable Agriculture Program ATTRA.NCAT.ORG</p>	<p>Poultry Resources: ATTRA.NCAT.ORG/attra-pub/poultry</p> <ul style="list-style-type: none"> -Small-Scale Poultry Processing -Meat Plants: Improving Profitability in Small Operations -Working with your Meat Processor -Database of Small Poultry Processing Plants and Services -Podcast Episode 83. Poultry Processing, Terrill Spencer -Podcast Episode 98. Poultry Processing Strategies
<p>The American Pastured Producers Association (APPPA) apppa.org <i>• A nonprofit trade organization for the pastured poultry industry</i></p>	<ul style="list-style-type: none"> -Membership, apppa.org/join-us -“Ask APPPA” Q&A calls, www.apppa.org/about -Poultry Processing Regulations, www.apppa.org/regulations Discussion of P.L. 90-492
<p>Niche Meat Processors Association Network (NMPAN) nichemeatprocessing.org <i>• A national extension project and processors network</i></p>	<ul style="list-style-type: none"> -Join the Listserve (active information exchange), www.nichemeatprocessing.org/nmpan-listserv -Poultry Specific Resources, www.nichemeatprocessing.org/poultry-specific-resources -Research to Assess Meat Processing Options, www.nichemeatprocessing.org/testing-the-idea-using-existing-research-to-assess-meat-processing-options -Planning a New Facility or Expansion, www.nichemeatprocessing.org/planning-a-new-facility-or-expansion -Poultry Processing Regulations and Exemptions, www.nichemeatprocessing.org/poultry-processing-regulations-and-exemptions -Best Practices Guide for Open-Air Poultry Slaughter, https://catalog.extension.oregonstate.edu/em9273/html
<p>University of California Cooperative Extension (UCCE) https://ucanr.edu/FocusAreas/Sonoma Ombudsman <i>• Grown in Marin, https://ucanr.edu/sites/Grown_in_Marin/For_Farmers_and_Ranchers</i> <i>• Foothill Farming, https://ucanr.edu/sites/placernevadasmallfarms</i></p>	<ul style="list-style-type: none"> -Poultry Resources (statewide, all topics), http://ucanr.edu/sites/poultry -On-farm Poultry Meat Processing with USDA Exemption, https://ucanr.edu/sites/CESonomaAgOmbuds/Poultry_Processing_Exemptions/#ov -On-Farm Poultry Processing: business, regulations, food safety, and best practices for facility construction, http://growninmarin.org/For_Farmers_and_Ranchers/Poultry_and_Eggs/On-Farm_Poultry_Processing -Processing Waste Water, https://ucanr.edu/sites/Grown_in_Marin/files/277229.pdf -Composting Poultry Waste, https://ucanr.edu/sites/Grown_in_Marin/files/277228.pdf -Foothill Farming, Pasture-Based Poultry, https://ucanr.edu/sites/placernevadasmallfarms/Livestock/Poultry_-_updated
<p>Butte County Environmental Health buttecounty.net/publichealth/Environmental-Health</p>	<ul style="list-style-type: none"> -On-Farm Poultry Slaughter Guidelines, www.buttecounty.net/Portals/21/Env_Health/Food/PoultrySlaughterGuidelines.pdf
<p>Farm to Consumer Legal Defense Fund farmtoconsumer.org</p>	<ul style="list-style-type: none"> -Open-Air Poultry Slaughter map and guidance, www.farmtoconsumer.org/poultry-map/q-hunter-usda-fsis-open-airpoultry-073115
<p>Chelsea Green Publishing chelseagreen.com</p>	<ul style="list-style-type: none"> -The New Livestock Farmer: The Business of Raising and Selling Ethical Meat (book), www.chelseagreen.com/product/the-new-livestock-farmer

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