



The Honorable Tom Vilsack  
Secretary of Agriculture  
U.S. Department of Agriculture  
1400 Independence Avenue, SW  
Washington, D.C. 20250

July 22, 2021

Dear Secretary Vilsack,

The recent announcement to invest \$500 million in American Rescue Plan funds to expand meat and poultry processing capacity is welcomed information. Kentucky is home to over 30 USDA inspected small and medium sized processing facilities that work hard each day to ensure a safe and sustainable food system across the state. Your plan to provide grants, loans, and technical assistance to expand these facilities and create new markets is a win-win situation for both the facility and the cattle producers they serve.

The Kentucky Cattlemen's Association, which represents over 10,000 members and 38,000 beef farm families in the Bluegrass, write today to bring awareness to a particular challenge facing small processors and urge your Department to provide funding and additional resources to address this challenge.

Food safety is a crucial component to food processing and food distribution. Both government food safety agencies and private markets have roles to play in ensuring a safe supply of meat and poultry. However, many small processors lack the resources and funding necessary to maintain the expected level of food safety measures. According to a 2004 survey initiated by USDA's Economic Research Service, small plants, which tend to produce more specialized products, had much higher average costs than the giant plants, which produce mainly commodity products, such as boxed beef. Since plants must recover their costs, this means that prices for commodity products will rise very little, while prices for more specialized products, like cut-to-order beef, may rise as much as 2 or 3 cents per pound. It also means that small plants competing in commodity markets may find it more difficult to remain in business.<sup>1</sup>

Our office has firsthand experience with small processing and food safety through Beef Solutions, a single-owner Limited Liability Company, owned by the Kentucky Cattlemen's Association, Inc. Beef Solutions was formed to provide a pathway for Kentucky's cattle farmers to enter the market for locally produced and marketed ground beef, guiding the product from the Kentucky farm to the Kentucky consumer. With food safety being the number one priority for Beef Solutions, we want to ensure Kentucky's processing facilities have access to the information and resources to maintain high quality meat products.

In our opinion, we would like to see heavy consideration given toward food safety and the technical assistance that would secure long-term processing expansion. This includes:

<sup>1</sup>Meat and Poultry Plants' Food Safety Investments: Survey Findings - [https://www.ers.usda.gov/webdocs/publications/47486/17469\\_tb1911.pdf?v=0](https://www.ers.usda.gov/webdocs/publications/47486/17469_tb1911.pdf?v=0)

- Funding that invests in sanitation equipment and the cost of equipment installation. New technologies and modern equipment increase the likelihood of adhering to FSIS standards and make it less likely that a plant will be either subject to a product recall or identified as the source of a foodborne illness.
- Workforce-related technical assistance that provides additional resources for employee training, and development for highly skilled technical workers and in-plant operators. Small processors shouldn't have to sacrifice production time and loss of income due to employees participating in necessary food safety and equipment training.
- Science, data and research are primary tools USDA uses to protect public health. Modern agriculture and food safety research has helped to build a modern public health system that meets the evolving needs of the food supply system. Large corporate processors have researchers and meat scientists at their disposal. Small processors are limited to data that pertains to their scale of operation. The need for food safety research conducted at small and medium sized facilities is essential to the long-term viability of these businesses.

The Kentucky Cattlemen's Association greatly appreciates this Executive Order that will direct USDA to develop a range of strategies to enhance the competitive landscape in American agriculture. We urge your continued attention to the challenges raised above and ask for funding to be specifically earmarked for food safety improvements through equipment, workforce training, and research in small processors. Additionally, we would invite USDA to host a stakeholder meeting with Kentucky representatives to learn more on how to address these challenges.

Respectfully,

Kentucky Cattlemen's Association

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