

## **Policy Brief**

# **Meat Processing in Wisconsin**

### Challenges & Opportunities



Local meat processing is crucial for family farms who sell processed meat directly to consumers or through food co-ops and other retail venues. This allows farmers to set their own price rather than having to sell animals through unpredictable conventional markets; it's an important pathway to ensuring a future for family farms in Wisconsin. But for several years, Wisconsin Farmers Union has heard rising concerns from farmers about meat processing capacity challenges statewide.

The lack of processing capacity is a stumbling block that hinders farmers from growing to meet consumer demand. Farmers throughout the state are reporting processing wait times as far as a year or two out, meaning some are having to reserve butcher appointments even before the animal to be processed is born.

On a national level, meat processing has become increasingly vertically integrated, with four companies controlling a majority of U.S. meat processing. A mere 50 meat plants slaughter and process 98% of the national meat supply — investing in processing is an investment in the security of our food supply.

Meat Processing Infrastructure was among the Special Orders of Business set by the grassroots WFU membership in 2020, and we will continue to seek solutions.



"We went from being able to get most of our needs met in our county to suddenly having to go significantly outside of the county for meat processing. We were at a point last year where I was getting worried I'd be butchering a bunch of pigs and lambs myself because it took me so long to find a processor."

— Menomonie, WI farmer Rachel Henderson

"The monopoly on the meat industry is killing the farmer. The farmers are at the mercy of the market and processing dates. COVID really shined the light on the vulnerability of the system to consumers."

— Blanchardville, WI farmer April Prusia

"Availability of poultry processors is restricted in Wisconsin, especially for on-farm butchery and sales.

Margins are very small. Even packing giblets is a loss."

— Boyceville, WI farmer Sarah Paquette

"It used to be that most rural communities had a butcher shop, but through the years, we've lost a lot of those with monopolization of the meat industry. We need to invest in that infrastructure if we're serious about opening up ways for farmers to direct-market and get out from under the conventional markets."

#### What can the state do?

#### INVEST IN MEAT PROCESSING AS CRITICAL RURAL INFRASTRUCTURE

In order to foster an environment in which family farms have equitable market access, the ability to be economically sustainable, and grow to meet consumer demand for local meat, Wisconsin Farmers Union advocates for financial support from the state as well as from public-private partnerships to increase processing capacity and start new state and USDA-inspected meat processors. WFU also urges increased support from County Economic Development agencies as meat processing has great potential to strengthen rural economies. State and county support could include efforts like those implemented by the state of Minnesota, which created a small grant program to provide funds for state-inspected meat processing plants to invest in additional coolers, equipment, etc.

#### **CONSIDER INNOVATIVE APPROACHES LIKE MOBILE PROCESSING & HALAL**

WFU urges DATCP to consider ways to foster growth and increase capacity of small-scale processors and those that offer USDA, organic, Halal, and Kosher certification. Mobile processing and other on-farm processing facilities are innovative approaches that could help farmers in regions that are especially suffering from a lack of processing capacity.

#### STREAMLINE REGULATIONS AND EASE THE PROCESS FOR INTER-STATE SALES

WFU supports allowing meat products sales across state lines if they have been inspected through state, Meat and Poultry Inspection (MPI) programs.

#### SUPPORT EFFORTS TO TRAIN THE NEXT GENERATION OF BUTCHERS

There is a severe shortage of skilled butchers. WFU encourages support for programs like the Artisanal Modern Meat Butchery Program at Madison College, which is one of few such programs training in the next generation of butchers. We also support the development of on-the-job training and apprenticeship programs for meat cutters.

#### HELP SMALL AND REGIONAL PROCESSORS ACCESS NEW MARKETS BY DEFRAYING INSPECTION COSTS

Assisting custom-exempt livestock processing facilities with the cost of state inspection would provide access to a broader market.

### What can we do at the federal level?

#### STRONGER ENFORCEMENT OF ANTITRUST IN THE MEAT PROCESSING INDUSTRY

Both the National Farmers Union and WFU have been advocating for stronger enforcement of antitrust laws, as consolidation in the meatpacking industry has led to just four meatpackers controlling the slaughter of over 80 percent of feedlot cattle in the United States. Those "Big Four" — Tyson Foods, JBS, Cargill, and National Beef — have been accused of conspiring to fix cattle prices. Stronger scrutiny is needed in addressing antitrust in agriculture.

#### PASS THE REQUIRING ASSISTANCE TO MEAT PROCESSORS FOR UPGRADING PLANTS (RAMP-UP) ACT

This would help state inspected or custom-exempt slaughter facilities gain federal inspection status and access interstate markets.

#### PASS THE STRENGTHENING LOCAL PROCESSING ACT

This would increase the federal share of costs for state inspection and for Cooperative Interstate Shipment facilities. The legislation would also provide grants to small processors, state inspected facilities, and custom exempt facilities, as well as provide funding for education and training programs.

#### PASS THE SMALL PACKER OVERTIME AND HOLIDAY FEE RELIEF COVID-19 ACT

This would reduce costs borne by small slaughter plants in paying federal inspectors working overtime or on holidays.

#### PASS THE BIPARTISAN FARMING SUPPORT TO STATES ACT

This would provide states with flexible funding to aid in responding to urgent and emerging issues caused by the COVID-19 pandemic in America's agriculture economy and food supply chain.



"Consumers need to connect to their food. But farmers also need to connect with consumers, it gives them pride and a sense of community. There's a quiet revolution of customers asking for that connection.

We have so much power to build a resilient infrastructure and community. It has to include meat processing. "

— Blanchardville, WI farmer April Prusia

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