



Wisconsin  
Farmers  
Union



# MEAT PROCESSING IN WISCONSIN

## Challenges & Opportunities

*A Report by the  
Wisconsin Farmers Union  
Meat Processing Task Force*



**LET'S  
CUT TO  
THE CHASE.**

## **THE AMERICAN MEAT PROCESSING INDUSTRY HAS STRUGGLED WITH CONSOLIDATION FOR DECADES.**

In recent years, a trend toward fewer and larger (often multinational and many vertically-integrated) corporations in the meat processing sector has worsened. The dominant corporations in the industry have been under scrutiny for price fixing, labor rights infringements, misleading labeling, and other unsavory practices. During the 2020 COVID-19 pandemic, the fragility of this highly-consolidated system and the plight of the farmers and laborers who work within it – especially those without union protection – all became much more abundantly clear.

Because of the sheer market share of these corporations and their power to work together to undercut the marketplace, everyone else is suffering. Small and mid-scale meat processing plants have struggled to compete and are disappearing from the countryside - leaving farmers and eaters with fewer options.

Farmers are finding this loss of community infrastructure especially problematic as they also struggle to survive in the face of consolidation across agricultural marketplaces. As smaller processing options disappear, animals are being shipped further (adding stress to animals, cost to producers, and wasteful fossil fuel usage). Farmers who sell directly to consumers often rely on local processors who are uniquely suited to manage smaller harvest runs and custom cutting instructions. Farmers who sell into larger markets, such as the auction barn or through contracting, find themselves subjected to widely fluctuating prices and beholden to livestock specs that skew increasingly in favor of meatpackers - often ignoring the farmer's cost of production.

Small and mid-scale processors also find it difficult to thrive in these conditions. Not only are they competing in a low-margin industry, they must work against the power of massive industry players who spread risk over many facilities. It is also difficult to find, hire, train, and maintain the skilled workers who can adapt to different roles in a small business and understand the unique cutting needs of a range of different carcasses from regional producers. The large-scale industry can choose to process only certain animals and streamline every cut in a factory-like assembly line. While these two scales of processing ultimately create similar products, they are radically different businesses.

The issue impacts more people than just farmers and those who work in the meat processing industry. Rural communities suffer both cultural and economic impacts as processing businesses disappear - taking jobs and support of other area businesses with them.

But this isn't just a rural issue; the freedom of choice for all consumers seeking meat products is affected. As eaters review the brands they see on grocery store shelves, there is a severe lack of transparency about which companies ultimately own each brand, how prices have been determined, and the origin of the meat in the packages in front of them.



This report is a project of Wisconsin Farmers Union, a grassroots organization committed to enhancing the quality of life for family farmers, rural communities, and all people through cooperation, legislation, and civic engagement. Each year, our members determine policy priorities. In 2020 and 2021, the issues of access to and consolidation within the meat processing sector were highlighted as priority issues.

We convened a Meat Processing Task Force that developed a series of webinars and panel discussions to explore the complexity of the issue and potential solutions. Task force members also helped develop a network analysis and collect resources to further explain or address issues within meat processing.

Staff and Task Force members met with key stakeholders, including state agencies, national partners, impacted farmers, small-scale processors, and labor organizations. These conversations were helpful as we explored nuances, various perspectives on the issues, and potential solutions.

Through this effort, Wisconsin Farmers Union's MEATing webinar series explored the following topics: [Farmer & Processor Perspectives](#), [Mobile Slaughtering & On-Farm Solutions](#), [Creative Cooperative & Community Solutions](#), [State & Federal Policy Solutions](#), [Labor Struggles & Solutions](#), [Educational Opportunities & Workforce Development](#), and [Creative Marketing Solutions](#). Recording can be found on our [YouTube channel](#).

## WHY DOES IT MATTER?

### JUST FOUR MULTINATIONAL MEATPACKERS CONTROL



54% of U.S.  
poultry  
processing



70% of U.S.  
pork packing



85% of beef  
packing

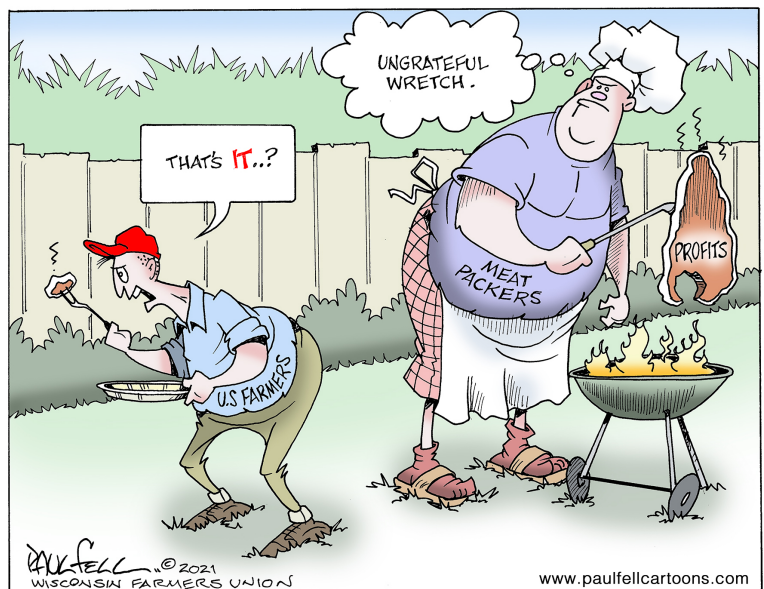
MEANWHILE, THE FARMER'S SHARE OF  
THE RETAIL FOOD DOLLAR IS ONLY

# 14 cents

INVESTING IN MEAT PROCESSING  
INFRASTRUCTURE OPENS THE DOOR FOR  
FARMERS TO BE ABLE TO MARKET THEIR  
ANIMALS DIRECT-TO-CONSUMERS AND  
REGAIN SOME CONTROL OF PROFIT

**ONLY 50 MEAT PLANTS  
SLAUGHTER AND PROCESS  
NINETY-EIGHT PERCENT  
OF THE U.S. MEAT SUPPLY**

**INVESTING IN PROCESSING  
IS AN INVESTMENT IN THE  
SECURITY OF OUR FOOD SUPPLY**



# STAKEHOLDER INSIGHTS

## **Small & Mid-Scale Processor**

- Access to capital is a big struggle for many small processors. Often, physical facilities, aging or smaller-scale equipment, and cold storage capacity are limiting factors for growth. Improving facilities, capacity, and ergonomics are often essential, but require large outlays of capital for these small businesses. Fluctuation in the marketplace can quickly impact a small processor's ability to repay debt, as well. Access to low-interest loans or grants would help overcome these obstacles.

- Many smaller processing facilities are located in rural areas with relatively small pools of potential employees who are skilled in the complex work of butchery. Because of this, many facilities plan some level of on-the-job training for newer employees and focus on staff turnover reduction through other incentives. This puts a higher demand on small businesses. Because the industry's margins are already slim, many smaller processors are stretched to provide competitive wages and benefits to lure skilled workers. Reducing the downward price pressure from consolidated industry would help.

- Smaller scale processors have to manage a high level of complexity within their businesses as they work with numerous smaller-scale producers and customers. Custom cuts for individual animals, delivery and harvest scheduling, and the numerous opportunities for delays or issues that come with managing so many stakeholders all must be managed. We heard about desires to develop more opportunities for farmers to aggregate their products and standardize processing requests to help smaller processors streamline their work.

## **Laborer**

- While there are some promising opportunities for skills education throughout the state, most do not provide program graduates with the breadth and depth of skills they would need to start a new operation. Instead, they focus on accessing entry-level positions within existing operations. Students who provided feedback said that they were unlikely to meet their income needs if they pursued a career pathway in processing after their training.

- No matter the scale of the processing plant, all laborers need a safe and ergonomic working environment, living wage, and access to reasonable benefits to justify this demanding, essential, and skilled work.

- The ability to organize - especially in larger facilities - has been highlighted as an important piece of the labor perspective. It is too easy for the needs of labor to be ignored as an industrial system speeds to meet demand and profit metrics. Farmers and laborers must support each other in fair prices and fair wages.

**The biggest problem we have is the labor side of things. This is pretty labor-intensive work ... it's hard to find people who want to do that sort of work.**

*– Brandon Clare, J.M. Watkins Meats  
Plum City, WI*





***“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, Wisconsin pig farmer April Prusia



Photo by  
Carrie Highland  
Dream Lens Media

### ***Farmer***

- Farmers have faced increasingly long waits to schedule harvests. Especially during the pandemic, many reported that they have to book slaughter dates for animals that had not yet been born. With all of the unknowns that arise between the birth and harvest of an animal, it becomes increasingly unlikely that farmers will be able to harvest at the precise time they will need to. Processors also experience problems when farmers are forced to cancel dates because the animal or customer isn't ready.
- As more small and mid-scale processors have closed in recent years, farmers are forced to transport their animals further distances to be harvested. This presents logistical issues, increased expenses, and potential animal welfare issues.
- Farmers must also meet the demands of their customers - whether they are individuals or institutions. Cutting and packaging instructions are just as important as price points and availability timelines and can vary widely by customer. A poor processing job can lead to lost customers. If farmers cannot identify workable processing solutions, it negatively impacts their business.
- Small and mid-scale farmers, especially those who sell directly to consumers, have a higher need for custom cuts on different animals. They need to work with skilled butchers who can meet a variety of customer demands. Not only is it hard for small and mid-scale farmers to meet the minimum quantity of animals needed to work with large-scale processors, those processors often will not provide the custom cuts required for direct-to-consumer sales.

### ***Consumer***

- Lack of choice is a major concern. Ironically, many rural areas where our food is produced have the fewest options for meat purchases. Revitalizing local food systems would increase the options consumers have to find nutritious proteins for their family. Furthermore, the consolidation of many brands under a few industry titans hides the real profiteer from the consumer. We need increased transparency about product line ownership and clear labeling so that consumers can make informed decisions.
- Lack of transparency is a key issue, especially in meat origin labeling. Currently, meat can be labeled as a "Product of the USA" even if it is shipped from abroad and repackaged in the United States. Country-of-origin labeling (COOL) and consumer education are needed to address this concern. Labels like "natural" and "grass-fed" can be misleading to consumers who don't fully understand the lack of legal definition and accountability.
- Many Americans are unaware of the impact of consolidation on their daily lives - even though it impacts us all. Because issues like transparency, consolidation, and price fixing have skewed the meat marketplace, consumers have come to expect certain prices for their proteins. Family farmers and small processors - who are not able to hide or skirt costs in the same ways that corporate oligopolies are - can't compete. Unfortunately, this leads many consumers to believe that cost-of-production pricing for protein is price gouging and not the true cost. More advocacy and education is needed to help more eaters become allies in this important issue.





# OVERCOMING THE ISSUE

The issue of meat processing is clearly large and complex. There are aspects that need to be addressed at state, national, and international levels. There are other aspects that need to be addressed by communities, farmers, or consumers. Because of the complexity of the issue, it will be important for a variety of stakeholders to find their place in solving this issue at both large and local scales.

## BROADER SOLUTIONS

### ***Address Consolidation***

- Increased antitrust enforcement at the state and federal levels will create more processing options for farmers, employment opportunities for workers, more options for consumers, and resiliency in our food system.
- Industry transparency in pricing, labeling, and marketing creates a level playing field and fair marketplace for farmers, workers, and consumers.

### ***Build the Labor Force***

- More work needs to be done to develop low-cost, high-skill training programs (such as apprenticeships) and career pathways to develop future generations of small-scale processors.
- Training opportunities and encouraging youth to pursue careers in butchery and agriculture were highlighted across the industry. A lack of labor was noted as a stumbling block for expansion of existing small meat processing facilities.

### ***Educate Consumers & Address Deceptive Labeling***

- Consumer education is needed around topics like local foods, labeling, and how to purchase directly from farmers, if we want to rebuild regional food systems.
- Country of Origin Labeling (COOL) lets consumers know where their meat comes from so they can make informed purchasing decisions. It also prevents deceptive marketing of meat that is produced elsewhere and sold under the "Product of USA" label, which undercuts the price and competitive advantage of U.S. farmers and ranchers.
- Creating shorter and more diverse supply chains for meat will minimize the carbon-intensity of the livestock industry. Strengthening small and mid-scale processing supports farmers - many of whom employ sustainable management practices on their farms.

"The fact that our government allows a label of 'Product of the USA' on meat from an animal that never set a hoof on American soil should give us all pause. Being able to direct-market and work with my local processor is helping reconnect our customers with the origins of their food."

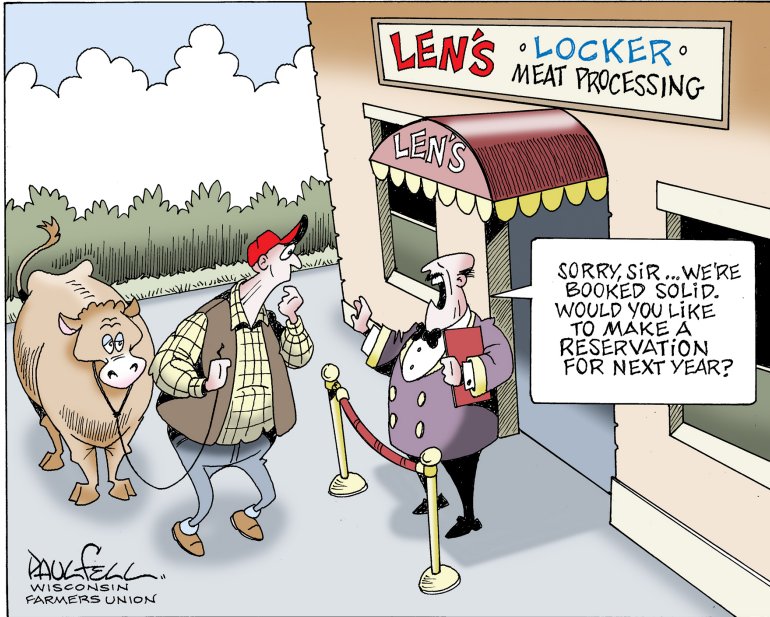
– Danielle Endvick  
Holcombe, WI beef farmer





### **Investment in Small and Mid-Scale Facilities**

• Grants, low-interest loans, incentives, and other investments in smaller processing operations across the countryside will improve farmer access and support the capacity and efficiency growth of those processors who have proven their business models successful. There are opportunities for such programs through federal, state, and local initiatives.



## **LOCAL SOLUTIONS**

### **Collaborative Efforts**

- Co-ops provide an avenue for shared risk and reward for farmers seeking to address a lack of regional meat processing.
- Collaborative marketing allows farmers to capitalize on the marketing savvy of a collective rather than having to excel in both the farming and marketing realms. This approach also can give farmers a more consistent number of animals to process, making it easier to coordinate processing.
- Mobile processing may prove to be a viable option in areas where processing capacity is lacking, although there are some questions about return-on-investment dependent on start-up costs.
- Centralized and shared infrastructure may be the most viable pathway for farmers and consumers looking to invest in the future of meat processing in their region.

### **Local Food Systems**

- While there are many opportunities for business development within the state of Wisconsin, many people need support in identifying opportunities to fit their needs.
- Many rural areas would also benefit from support in setting up TIF districts and overcoming other barriers to accessing opportunities that exist elsewhere in the state.

## **ONE ROAD TO CHANGE**

### **Mobile Slaughtering**

Recognizing the dire need to expand processing capacity, some states, earmarked Coronavirus relief funds for programs to address the issue. Montana Farmers Union was a vocal advocate for the Montana Meat Processing Infrastructure Grant, one such program. Through it, they received a \$150,000 grant to invest in a mobile processing unit.

Mobile processing is a relatively new venture in Wisconsin, although we know of at least one unit in southern Wisconsin and another recently invested in by the Oneida Nation.





*The following resources offer some steps toward solutions to processing issues:*

## EDUCATIONAL

### **Wisconsin Farmers Union Resources**

- [Meat Processing Resources](#) - Find background information, solutions, and scholarship opportunities.
- [Wisconsin Farmers Union Foundation Local Initiative Grants](#) and investment funds may be available to assist in meat processing start-ups and expansions. Applications and protocols can be found via the membership portal for WFU members under resources. Or contact Special Projects Director Lauren Langworthy for details, [llangworthy@wisconsinfarmersunion.com](mailto:llangworthy@wisconsinfarmersunion.com)

### **Background on Barriers Regarding the Meat Processing Shortage**

- [Minnesota Department of Ag - The ABCs of Small Meat Processing Options](#) webinar provides an overview of different issues impacting small-scale processing and regulatory/policy impacts
- [North Dakota Farmers Union: Livestock Industry Reform](#)
- [Minnesota Farmers Union: 2020 Farmer Survey of Meat Processing](#)
- [Fair Labor in Sustainable Agriculture](#) - UW Center for Integrated Agricultural Systems

### **Education Programs and Scholarship Opportunities**

- [Madison Area Technical College Artisanal Modern Meat Butchery Program](#)
- [UW-Madison Meat Science and Animal Biologics Discovery](#)
- [UW-River Falls Meat Pilot Plant](#)

### **Economics of Meat Processing**

- [Grassfed Exchange: Hallway Conversation](#) featuring Rebecca Thistlewaite, Mike Lorentz, and Todd Churchill. This video explores various scales and economic models for expanding meat processing opportunities and is a wealth of information about the processor's economic situation.
- [WFU MEAT-ing Series](#) covers a wide range of topics that offers a look into the challenges and opportunities in meat processing in Wisconsin.

### **Potential Partner or Resource Organizations**

- [National Farmers Union](#) is fighting for fair markets and investment in rural infrastructure
- [Niche Meat Processor Assistance Network \(NMPAN\)](#) - economics, network, and educational resources about small-scale and niche meat processing across the country
- [United Food and Commercial Workers \(UFCW\)](#) - union of laborers in grocery, health care, packing, processing, retail, cannabis, chemical, and distillery environments
- Food Finance Institute - develop resources for startup/expansion businesses
- [Wisconsin Department of Workforce Development](#)



## Startup or Expansion Opportunities for Small- to Mid-Scale Processors

- [DATCP Meat Processor Infrastructure Grant](#)
- [WFU Local Initiative Grants](#)
- [Compeer Market feasibility Grants](#)
- [Wisconsin Economic Development Corporation](#)
- [Value Added Producer Grant](#)

## Mobile Processing Solutions

- [Niche Meat Processor Assistance Network \(NMPAN\)](#) case studies, financial information, current units, etc.

## Cooperative Models

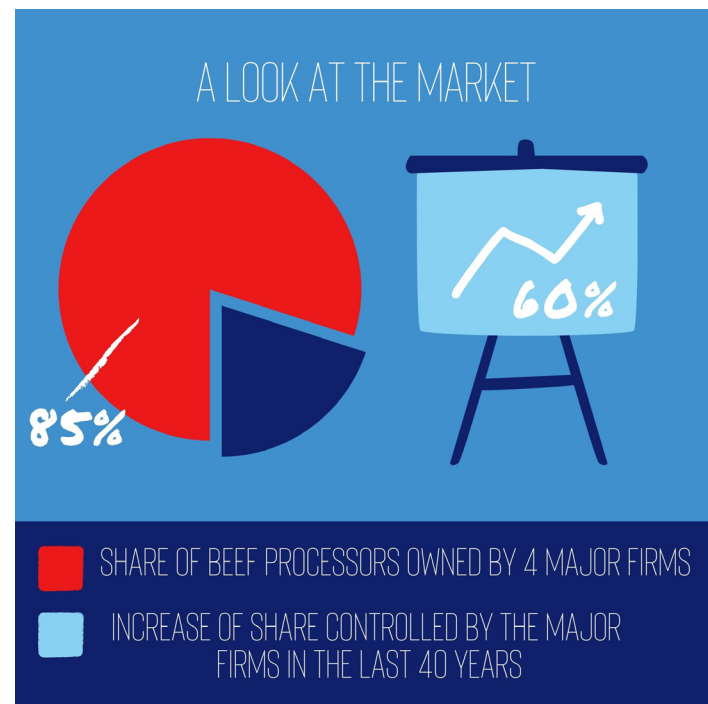
- [Livestock Producers Cooperative Association Case Study](#)
- [Wisconsin Grassfed Beef Co-op](#)
- [Montana Farmers Union Cooperative Mobile Harvest Unit](#)
- [Bay Area Ranchers Cooperative](#)
- [Island Grown Farmers Cooperative](#)

## Byproduct Processing

- [Farmers Union Industries](#) companies include pet food, rendering, and grease recycling
- [Livestock Carcass Disposal](#)
- [Great Lakes Gelatin](#)
- [Past projects utilizing leather for gloves](#)
- [Soil Amendments - Bone Meal and Blood Meal](#)

## Business Planning and Resources for New Endeavors

- [Niche Meat Processor Assistance Network \(NMPAN\) Business Plan for Small Inspected Meat Plants](#)
- [SCORE Business Mentoring](#)
- [University of Wisconsin Center for Cooperatives](#)
- [Wisconsin Small Business Development Center](#)
- [Michael Fields Agricultural Institute Free Grant Advising](#)
- [Food Finance Institute - Making Money In Food](#)





# POLICY SOLUTIONS

## STATE

✓ **CONTINUED SUPPORT FOR MEAT PROCESSING** through efforts like the Meat Processor Grant Program, which will help meat processing facilities expand and modernize facilities and increase capacity. This is critical funding that will greatly help meet the needs of small & medium livestock producers.

✓ **CONTINUE TO FUND ADDITIONAL STATE MEAT INSPECTORS** as needed to accommodate growth in processing infrastructure.

✓ **INVEST IN PROCESSING AS ECONOMIC DEVELOPMENT** via financial support from public-private partnerships and County Economic Development agencies. New or expanded USDA-inspected meat processors offer great potential to strengthen rural economies.

✓ **CONSIDER INNOVATIVE APPROACHES LIKE MOBILE PROCESSING & HALAL** that could help farmers in regions suffering from lack of processing.

✓ **STREAMLINE REGULATIONS AND EASE THE PROCESS FOR INTER-STATE SALES** by allowing meat product sales across state lines if inspected through state, Meat and Poultry Inspection (MPI) programs.

✓ **SUPPORT EFFORTS TO TRAIN THE NEXT GENERATION OF BUTCHERS** through funding for meat processing training programs and the development of on-the-job training and apprenticeship programs like those funded by AB664 & SB650.

✓ **HELP SMALL & REGIONAL PROCESSORS ACCESS NEW MARKETS BY DEFRAYING INSPECTION COSTS** by assisting custom-exempt livestock processors with the cost of state inspection.

## FEDERAL

✓ **SUPPORT THE NEW MARKETS FOR STATE-INSPECTED MEAT AND POULTRY ACT OF 2021** which would allow meat and poultry products inspected by State Meat and Poultry Inspection programs to be sold in interstate commerce. State-inspected products are currently limited to intrastate commerce, unless a state opts into a separate Cooperative Interstate Shipment Program.

✓ **HOLD HEARINGS ON LIVESTOCK MANDATORY PRICE REPORTING** and expedite the renewal of the legislation.

✓ **SUPPORT LEGISLATION SUCH AS THE "50/14 RULE"** (S.949) requiring large meatpackers to buy more beef on the open market, S.543, the Cattle Market Transparency Act of 2021, and S.225, the Competition and Antitrust Law Enforcement Reform Act of 2021.

✓ **STRONGER ENFORCEMENT OF ANTITRUST IN THE MEAT PROCESSING INDUSTRY** to address discriminatory practices, price fixing, monopolistic practices and growing concentration of ownership in the agricultural sector.

✓ **REFORM THE PACKERS AND STOCKYARDS ACT** that was meant to enforce anticompetitive/antitrust laws. New rules proposed by the USDA will offer more fair wages to poultry growers, make it easier for farmers to challenge unfair practices, and clarify practices that are unfair or discriminatory.

✓ **PASS THE STRENGTHENING LOCAL PROCESSING ACT** (S.370) a bipartisan bill that would increase the federal share of costs for state inspection and for Cooperative Interstate Shipment facilities. It would also provide grants to small processors, state inspected facilities, and custom-exempt facilities and help fund training programs.

✓ **REINTRODUCE & PASS THE FARMING SUPPORT TO STATES ACT** a bipartisan effort to provide states with flexible funding to aid response to issues caused by the COVID-19 pandemic in American agriculture and the food supply chain.



# MAKING PROGRESS & MOVING FORWARD

**At the direction of our grassroots membership, WFU has made the issue of meat processing infrastructure a top priority. Some progress over the past year has included:**

- ✓ Organized a “Meat-ings” educational series on challenges and opportunities for meat processing capacity.
- ✓ Convened a Meat Processing Task Force of members and staff to develop a network analysis and collect resources to further address issues within meat processing, leading to this report.
- ✓ Hired a meat processing intern to help gather perspectives of farmers, processors, and industry stakeholders.
- ✓ Met with state legislators, DATCP, WEDC, UW-CALS, Extension, and farm organizations to discuss solutions.
- ✓ Released a Meat Processing Report that shares the challenges, stakeholder insights, resources, and potential solutions through policy reform, local collaboration, cooperative models, mobile processing, and more.
- ✓ Successfully lobbied for resources to modernize and expand processing facilities. Among the wins for meat processing this year were programs for processing expansion grants at the state and federal level.
- ✓ Offered scholarships to the Modern Meat Butchery Program at Madison College and continue to encourage efforts to train the next generation of butchers.
- ✓ Invested in and continue to pursue ways to increase regional processing.

**We have seen the pendulum swing in favor of farmers and small and mid-scale processors, with some promising signs of progress this past year:**

- ✓ In July 2021, President Biden signed a far-reaching Executive Order to address the lacking enforcement of a competitive marketplace. This order encompasses 72 initiatives involving more than a dozen federal agencies, and reaching far beyond agriculture – also to address anticompetitive practices in many other sectors, including healthcare and financial services. WFU encourages implementation of these efforts to address antitrust and increase competitiveness.
- ✓ WFU supports and appreciates USDA’s plan to provide \$500 million in loans, grants, and technical assistance to build new meat and poultry processing capacity.
- ✓ WFU thanks Congress and USDA for providing \$100 million to reduce the costs of overtime and holiday inspection for small and very small meat and poultry processing facilities across the country.
- ✓ WFU also encourages local processing plants to consider applying for USDA’s new Meat and Poultry Inspection Readiness Grant (MPIRG) program, which will offer a total of \$55 million to subsidize the cost of inspection certification necessary to ship products across state lines.
- ✓ We also values the work being done at the state level to address the lack of meat processing capacity, such as the Wisconsin Department of Agriculture, Trade, and Consumer Protection’s recently developed Meat Processor Infrastructure Grant Program.
- ✓ National Farmers Union has garnered national media attention and propelled this issue through its ongoing Fairness for Farmers campaign.
- ✓ President Biden and USDA Secretary Tom Vilsack kicked off 2022 by hosting a roundtable on meatpacker consolidation and signaling their intent to beef up enforcement of the Packers and Stockyards Act, laying out a \$1 billion plan to expand competition in the industry.

**But there's still more work to do. Please join Farmers Union in the fight for fair, competitive markets!**

**LEARN MORE AT  
WWW.WISCONSINFARMERSUNION.COM/PROCESSING**

Like what you see? Wisconsin Farmers Union is a grassroots community of farmers and rural allies who are striving to enhance the quality of life for family farmers, rural communities, and all people through education, cooperation, and civic engagement.

Join WFU today for just \$30 for the whole family at  
[www.wisconsinfarmersunion.com/membership](http://www.wisconsinfarmersunion.com/membership)

**WFU WINTER MEAT-ING SERIES**

Now available to view at [www.youtube.com/wisfarmersunion](http://www.youtube.com/wisfarmersunion)

**CONNECT WITH US!**

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**"NEVER DOUBT THAT A SMALL GROUP OF THOUGHTFUL,  
COMMITTED CITIZENS CAN CHANGE THE WORLD.**

**INDEED, IT IS THE ONLY THING THAT EVER HAS."**

– Margaret Mead

