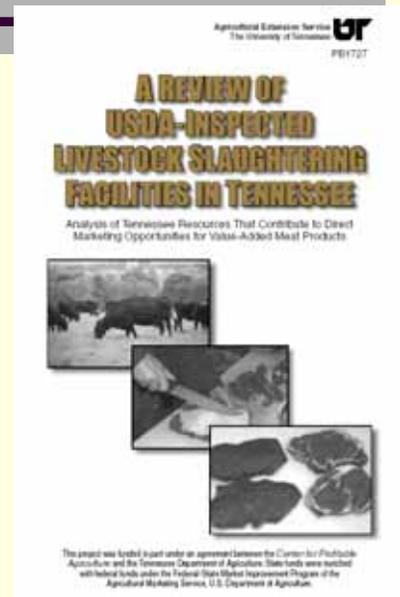


Case Study Market Considerations



Review of USDA-Inspected Livestock Slaughtering Facilities in Tn. (PB #1727)

Slaughtering Facility Survey

- Surveyed to identify USDA-inspected meat processing facilities in Tennessee that slaughter for the public
- 16 facilities identified
- 14 confirmed USDA-inspected
- 10 confirmed services for the public
- Determined location, species slaughtered, capacity, services offered and costs.

Slaughtering Facility Survey

- Regulations date back to 1906
- Wholesome Meat Act of 1967
- 1971 – USDA and State-Inspection
- Products from state-Inspection cannot cross state lines
- USDA inspection by FSIS
- Exempt Facilities (*custom-exempt*) only handle products that “do not enter commerce”
- Custom-exempt plants do not have inspection, but are regulated by TDA

Slaughtering Facility Survey

Table 1:

Species and Percent of Respondents Slaughtering Them

<i>Animal</i>	<i>Percent of Facilities that Slaughter</i>
Hogs	100
Cattle	90
Sheep	70
Goats	70

Slaughtering Facility Survey

Table 2: Number of Head Slaughtered

<i>Animal</i>	<i>Number Slaughtered by Respondents per Year (head)</i>	<i>Average Number Slaughtered per Facility (head)</i>
Hogs	13,958	1,395
Cattle	7,976	886
Goats	1,612	230
Sheep	1,003	143
Emu/Ostrich	337	133

Slaughtering Facility Survey

Table 3: Slaughtering Fees

<i>Animal</i>	<i>Range of Slaughtering Charge (\$ Per Head)</i>	<i>Average Slaughtering Charge (\$ Per Head)</i>
Cattle	\$18 - \$50	\$32.55
Hogs	\$18 - \$50	\$34.37
Sheep	\$20 - \$50	\$32.15
Goats	\$20 - \$50	\$28.33

Slaughtering Facility Survey

Table 4: Facility Slaughtering Capacity

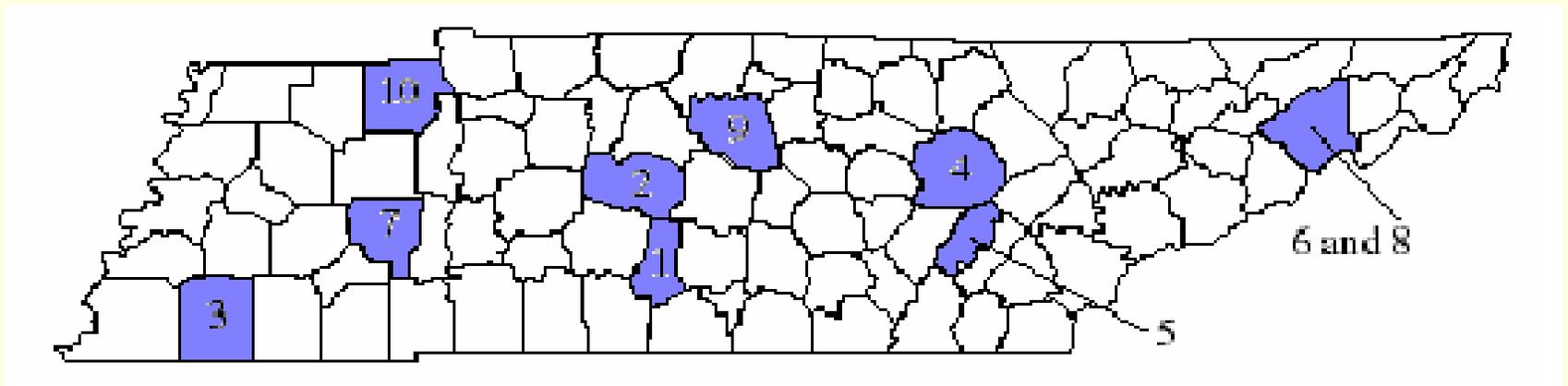
<i>Animal</i>	<i>Total Capacity (head)</i>	<i>Average Capacity Per Plant (head)</i>
Hogs	36,273	4,534
Goats	25,447	4,241
Sheep	23,622	3,937
Cattle	21,847	3,121

Slaughtering Facility Survey

Table 5: Per Pound Charges for Processing

<i>Animal</i>	<i>Range of Charges per pound</i>	<i>Average Charge per pound</i>
Cattle	\$0.17 to \$0.40	\$0.3055
Hogs	\$0.22 to \$0.40	\$0.3111
Sheep	\$0.30 to \$0.50	\$0.3760
Goats	\$0.30 to \$0.50	\$0.3750

Slaughtering Facility Survey



Slaughtering Facility Survey

- **“Ninety percent of the work at our plant is not USDA inspected.”**
- **“If USDA inspection is needed...the client must request it and arrange it in advance and pay extra for it.”**
- **“We are limited in our plant by labor and equipment.”**
- **“We require that USDA-inspected services be scheduled one month in advance.”**
- **“The offal from sheep and goats must be picked up by the owner of the animals.”**