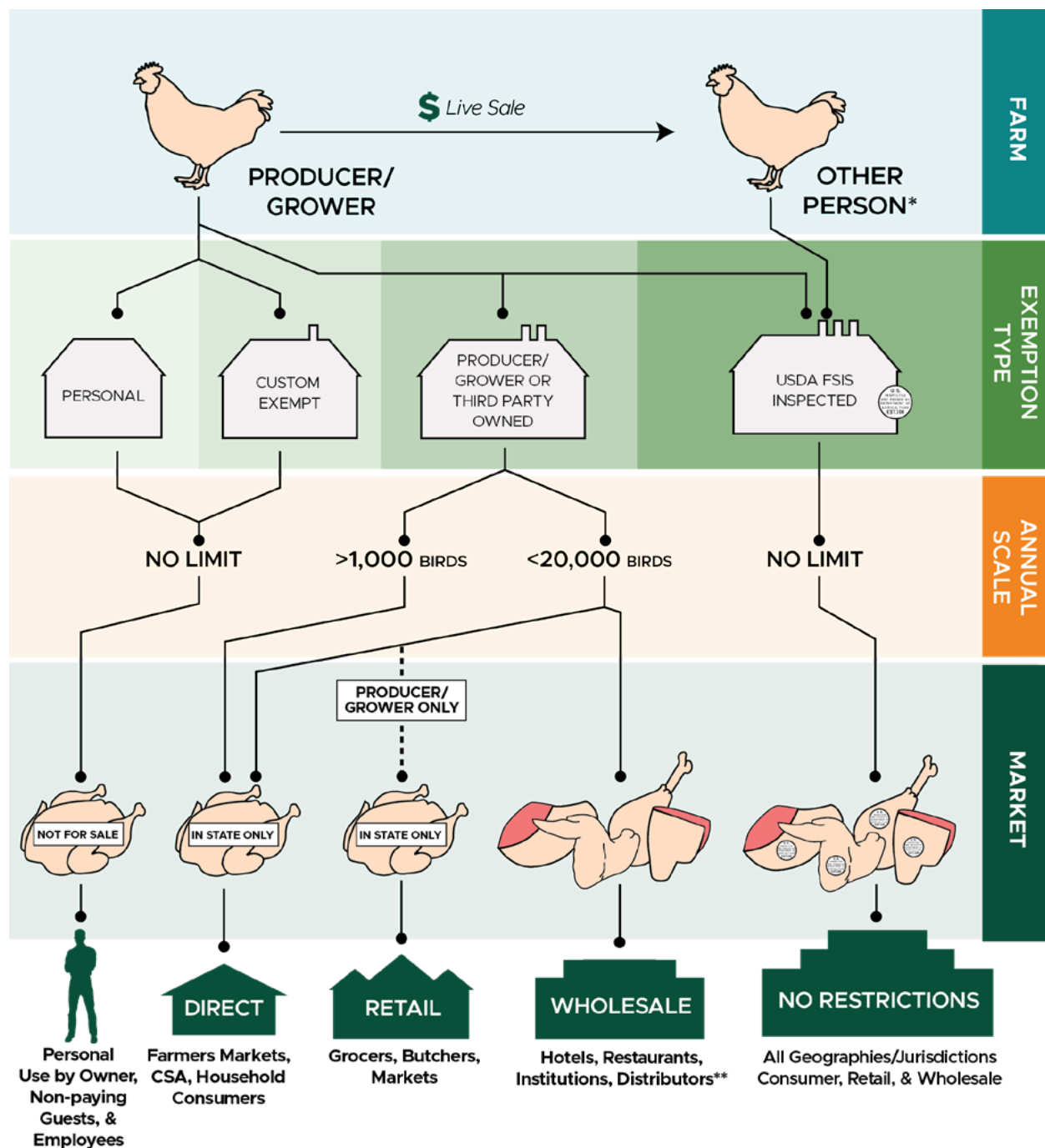


# Value-Added Products from the Farm

## SELLING FARM FRESH POULTRY IN MICHIGAN

Every farm needs a stream of revenue to support itself, and selling meat products derived from the animals you raise can help your livestock pay for themselves. This flowchart and the accompanying text was designed to help farmers navigate the major decision points and regulatory concerns involved in deciding to get poultry (chicken, turkey, ducks, geese & other fowl) processed and sold as meat in Michigan.



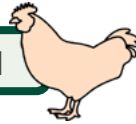
\* "Other person" is defined as third party who purchases live poultry from a grower and then slaughters and processes these poultry for sale directly to household consumers, restaurants, hotels, and boarding houses to be served in those homes or dining rooms for the preparation of meals sold directly to customers.

\*\*Those claiming a **Producer-Owner 20,000 birds exemption** may sell intrastate to businesses such as distributors, hotels, restaurants, retail stores, institutions, or small scale enterprises for **resale** as meat or meals.

## HOW TO USE THIS INFO SHEET

The slaughter, processing and subsequent sale of poultry, defined as chicken, turkey, ducks, geese and other fowl, is regulated under Poultry Products Inspection Act, which is enforced by the United States Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS). This Act allows for the USDA to regulate the exemption of 20,000 or less animals per individual/entity annually, with the Michigan Department of Agriculture & Rural Development (MDARD) then dictating additional requirements for how those animals may be sold to the public. This publication outlines the five USDA Exemptions that will most commonly be used by farmers/producers to slaughter and process poultry. Farmers can use this document to understand how the number of birds (annual scale), how they are sold (live vs. carcass vs. cuts) and where they will be sold (market) affects their options for slaughter and processing.

### CUSTOM PROCESSING EXEMPTION



#### PERSONAL

**Personal Use** [PPIA 464\(c\)\(1\)\(A\),\(d\),\(e\)](#) & [Title 9 Code CFR 381.10\(a\)\(3\)](#)

#### Licenses/Regulations

None

#### Slaughter & Processing On-site by grower/producer/ owner

- Poultry must be healthy
- Processed under sanitary conditions

#### Labeling requirements for shipping

- Producer's name
- Producer's address
- "Exempt P.L. 90-492"
- "Not for sale"
- Date/Lot Code (recommended)

#### Sales Options

No sales or donation for human food. **Personal Use Only** (owner, non-paying guests & employees)



#### CUSTOM EXEMPT

**Custom Exempt Slaughter/Processing**  
[PPIA 464\(c\)\(1\)\(B\)](#) & [Title 9 Code CFR 381.10\(a\)\(4\) & \(d\)](#)

#### Definition

A custom poultry slaughterer is a business or person who **slaughters and processes poultry belonging to someone else**. This custom processor provides a service to a customer and **does not engage in the business of buying or selling poultry products** capable of use as human food.

#### Licenses & Regulations

- [Retail Food Establishment \(MDARD\)](#)
- [USDA-FSIS Directive 8160.1 Custom Review Process](#)
- [MI Modified Food Code \(MDARD\)](#)
- [Registration with FDA](#)
- No cap on number slaughtered annually
- A MDARD variance is required for specialized meat processing

#### Sale Options

No sales or donation for human food. **Personal Use Only** (owner, non-paying guests & employees)

#### Product must be labeled for shipping as follows:

- Producer's name
- Producer's address
- "Exempt P.L. 90-492"
- "Not for sale"
- Date/Lot Code (recommended)

#### Slaughter within custom exempt facility — stationary or mobile

- Poultry must be healthy
- Processed under sanitary conditions



## PRODUCER-GROWER EXEMPTIONS



### REGULATIONS

- [Retail Food Establishment \(MDARD\)](#)
- [Variance for Specialized Meat Processing \(MDARD\)](#)
- USDA-FSIS
  - [Contact USDA/FSIS District Office for Exemption](#)
  - [Directive 8160.1 Custom Review Process](#)
  - [Directive 6900.2 Humane Handling and Slaughter of Livestock](#)
  - [Humane Handling of Livestock and Poultry Booklet](#)
- [Registration with FDA](#)

PRODUCER/  
GROWER OR  
THIRD PARTY  
OWNED

### Producer/Grower — Limit 1,000 Birds Annually [PPIA 464\(c\)\(4\)](#) & [Title 9 Code CFR 381.10\(c\)](#)

#### Eligibility

- Slaughter occurs at producer-owned facility
- No more than 1,000 birds processed per calendar year
- Only for poultry raised on the producer's farm

#### Slaughter: At producer-owned facility

- No custom slaughter
- Birds must be healthy when processed
- Processed under sanitary conditions
- [Keeps appropriate Records Title 9 Code 381.175](#)

#### Sales Options

Direct to consumer in state only — no online sales

PRODUCER/  
GROWER OR  
THIRD PARTY  
OWNED

### Producer/Grower — Limit 20,000 Birds Annually [PPIA 464\(c\)\(1\)\(C\)](#) & [\(c\)\(3\)](#) & [Title 9 Code CFR 381.10\(a\)\(5\)](#) & [\(b\)\(1\)](#) & [\(2\)](#)

#### Eligibility

- Slaughter occurs at producer-owned facility
- No more than 20,000 birds processed per calendar year
- Only for poultry raised on the producer's farm
- Producer may not buy or sell poultry products prepared under another exemption in the same calendar year in which they claim the Producer/Grower – 20,000 Limit Exemption

#### Slaughter: At producer-owned facility

- Custom slaughter only with approval
- Birds must be healthy when processed
- Processed under sanitary conditions
- [Keeps appropriate Records Title 9 Code 381.175](#)

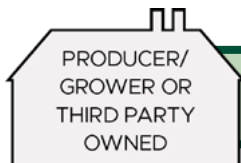
#### Sales Options

- **In-State Sales:** direct to consumer, **retail**, restaurants, wholesale or owner-distributor sales. Online sales are allowable.
- **Sales across State Lines (Intrastate) are only allowed** when selling to distributors, hotels, restaurants, retail stores, institutions, or small enterprises for resale as meat or meals

## GENERAL FOOD SAFETY CONSIDERATIONS

- Documented animal health and medications
- Proper slaughter handling
- Proper carcass preparation (dressing), deboning and cutting
- Control of cross-contamination potential
- Proper chilling of carcass and edible items
- Proper further processing (grinding, curing, smoking, etc.)
- Proper packaging
- Proper refrigeration (<41°F) and freezing (<0°F)
- Proper cleaning and sanitation of employees & equipment
- Water tested for potability:
  - municipal source - frequency varies
  - well source - frequency varies





PRODUCER/  
GROWER OR  
THIRD PARTY  
OWNED

## Producer/Grower or Other Person— Limit 20,000 Birds Annually PPIA 464(c)(2) & (c)(3) & Title 9 Code CFR 381.10(a)(7) & (b)

“Producer/Grower or Other Person” (PGOP) is defined as a single entity which may be:

1. a poultry grower who slaughters and processes poultry that they raised for direct sale
2. a person who purchases live poultry from a grower to slaughter and process for direct sale

### Eligibility

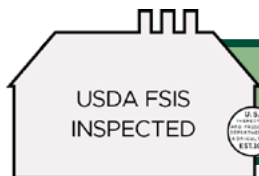
- No more than 20,000 birds processed per calendar year
- PGOP may not buy or sell poultry products prepared under another exemption
- PGOP only processes poultry that the PGOP owns & slaughters
- Producer may not buy or sell poultry products prepared under another exemption in the same calendar year in which they claim the Producer/Grower — 20,000 Limit Exemption

### Slaughter

- Custom Slaughter Only with Approval
- Birds must be healthy when processed
- Processed under sanitary conditions
- Keeps appropriate Records Title 9 Code 381.175

### Sales Options

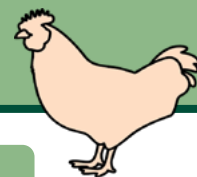
- **NO RETAIL.** No sales to fellow producers
- **In-State Only** direct sales to allowable entities including: 1) household consumers, 2) restaurants, 3) hotels, and 4) boarding houses for use in their dining rooms or in the preparation of meals sold directly to consumers



USDA FSIS  
INSPECTED



## USDA-FSIS Inspected Directory of FSIS Inspected Establishments



### Licenses & Inspections

- USDA – FSIS continuous inspection during slaughter & processing
- Poultry Products Inspection Act
- Federal Guidelines & Directives

### Sales Options

No restrictions

## GENERAL EQUIPMENT & SUPPLIES CONSIDERATIONS

- Safe transport (truck, trailer, cages, etc)
- Humane handling & slaughter equipment
- Calibrated thermometer
- Potable hot and cold water
- Processing equipment - mixer / grinder
- Packaging - manual or machine
- Refrigeration which maintains product temperature at or below 41° F
- Freezer unit which maintains product so that it remains frozen (<0° F)



Visit [MSU Center for Regional Food Systems](https://foodsystems.msu.edu) at [foodsystems.msu.edu](https://foodsystems.msu.edu) to find the resources used to develop these materials.

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