

Small meat processors worried by tougher federal testing regulations

By MATTHEW WILDE, matt.wilde@wfcourier.com | Posted: Monday, May 17, 2010 12:00 pm



Brandon Pollock Dan Dennler cuts ribeye steaks at B&R Quality Meats in Waterloo Wednesday, May 12, 2010. (BRANDON POLLOCK / Courier Staff Photographer)

WATERLOO - Small Northeast Iowa meat processors are worried the government could regulate them out of business.

As steaks and hamburger patties were packaged Wednesday at B&R Quality Meats on Park Road, owners Mark Ratkovich and Dennis Brennan said retail prices will increase and profits decrease to comply with tougher meat testing regulations suggested by the federal government. If the rules are implemented, it would cost them tens of thousands of dollars.

"Every time an expense is added, it will cut into the bottom line," Ratkovich said.

He worries profitability could be squeezed to the point raises and benefits, like profit sharing, for employees could be in jeopardy. How much the business is worth, after 30 years building it, is also a concern, Ratkovich said.

"That's why this pill is hard to swallow," he added.

The U.S. Department of Agriculture's Food Safety and Inspection Service sent a letter to meat industry officials in March with proposed changes to the Hazard Analysis Critical Control Point program. The food safety initiative identifies hazards in animal slaughter and meat processing, monitors those hazards and provides steps for corrective action.

The document outlines proposed changes how meat processors will validate food safety plans. Additional testing of meat is a big part, which state food experts say could cost some plants more than \$100,000.

B&R currently pays \$5,000 to \$10,000 a year to have meat samples tested periodically, as required, for E. Coli, lysteria and other contaminants at a lab in Wisconsin. Under the proposed rules, Brennan said 50 to 75 tests a month would be needed on some meat, which would cost nearly \$60,000 a year.

The company annually sells more than \$2 million worth of beef, pork, poultry, lamb, veal and fish mostly to wholesalers and restaurants nationwide. Brennan said B&R's food is safe. End users need to handle and cook it properly to keep it that way, he said.

"If meat is properly cooked, E. coli is dead. That's where the problem can be solved," Brennan said.

Small area lockers say the government is trying to fix a system that isn't broke. Officials with Iowa's Meat and Poultry Inspection Bureau said there hasn't been a meat recall or fine levied against a processor in five years or more.

"It's not clear to us why (the government) says there's a need for additional micro testing," said Dr. Gary Johnson, bureau chief.

Janis Hochstetler, the Hazard Analysis Critical Control Point expert for the Iowa Meat and Poultry Inspection Bureau, said no one problem with tainted meat prompted the call for better safety regulations. Updating the validation process has "been on the radar the last two to three years," she said.

Though B&R officials think rule changes as originally presented are a "done deal," Hochstetler said that's not the case. She believes changes will occur, just not as extreme as first suggested.

The government has received a lot of comments on the proposal and will make appropriate changes to lessen the hardship on small meat processing facilities, Hochstetler said. The public comment period ends June 19.

"That's why plants and industries are encouraged to comment," Hochstetler said. "The FSIS (Food Safety and Inspection Service) wants to understand what's already being done in plants."

State officials say there's 74 small meat processing plants in the state that would be affected by rule changes.

Jeff Frost is dreading the extra work and cost that comes with more testing. Frost bought the Gilbertville Locker three weeks ago.

Besides custom butchering, retail and wholesale meat sales are part of the business. New rules may change that, since custom butchers don't have as many stringent regulations to follow.

If that happens, employees could be laid off.

Validation decisions "will probably have a impact on what we do," Frost said. "I'll make choices accordingly."