

**OKLAHOMA DEPARTMENT OF AGRICULTURE,  
FOOD, AND FORESTRY  
MEAT AND POULTRY INSPECTION SERVICE  
OKLAHOMA CITY, OK**

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<h1 style="margin:0;">MPI NOTICE</h1>	201	4/07/2011
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**PREPARATION OF MEAT PRODUCTS BY RETAIL STORES**

**I. PURPOSE**

This notice clarifies recent changes in policies concerning the exemption from inspection requirements for the retail preparation of meat products for sale to household consumers and other than household consumers by retail stores. These policy changes by USDA-FSIS represent a major shift in the processes and products that are allowed to be produced in retail stores

**NOTE:** the instructions in this notice apply to red meat products only. The requirements for the retail preparation of poultry products for sale to household consumers and other than household consumers are significantly different and are covered under a separate exemption.

**II. CANCELLATION**

MPI Notice 07-08

**III. REFERENCES**

2 O.S. § 6-182 and § 6-195  
O.A.C. § 35:37-3-1; 35:37-3-3  
9 CFR § 303.1(d), (f) and (g); 317; and 320

**IV. BACKGROUND**

Historically, USDA-FSIS and the ODAFF Meat and Poultry Inspection (MPI) Program have limited the exemption from inspection requirements for products produced by retail stores that are sold to other than household consumers (commonly described as the retail exemption) that is described in 9 CFR § 303.1(d)(2)(iii)(f) to raw, single ingredient meat products. Recently, USDA-FSIS has determined that the restrictions to this exemption have been applied too narrowly and arbitrarily. The current FSIS policy regarding whether the preparation of meat products for sale to other than household consumers by a retail store is exempt from inspection is based on what operation is employed in preparing the product, and where that operation falls under 9 CFR § 303.1(d)(2)(iii)(f). The focus is now on whether the operation will have a definitive effect on the nature of the product, and if there is a need to verify that nothing that will affect the safety or wholesomeness of the food occurs in the

performance of the operation, rather than the number of components used in the production of the product.

## **V. RETAIL STORE OPERATIONS**

### **A. Traditional Retail Operations**

The types of operations traditionally and usually conducted in retail stores as described in 9 CFR § 303.1(d)(2)(i) are as follows:

1. Cutting up, slicing, and trimming carcasses, halves, quarters, or wholesale cuts into retail cuts such as steaks, chops, roasts, and freezing such cuts;
2. Grinding and freezing products made from meat;
3. Curing, cooking, smoking, rendering or refining of livestock fat or other preparation of products, except slaughtering or the retort processing of canned products;
4. Breaking bulk shipments of meat products;
5. Wrapping or rewrapping meat products.

### **B. Normal Retail Quantity**

As described in 9 CFR § 303.1(d)(2)(ii) the normal retail quantity is not more than one-half carcass. This section further provides the amount of product that will be accepted as representing one-half carcass for different species, which are as follows:

- Cattle – 300 pounds
- Calves – 37.5 pounds
- Sheep – 27.5 pounds
- Swine – 100 pounds
- Goats – 25 pounds

### **C. Retail Stores**

The requirements to qualify as a retail store are listed in 9 CFR § 303.1(d)(2)(iii). These requirements are as follows:

1. The sales of meat products are made to consumers only;
2. At least 75 percent, in terms of dollar value, of total sales of meat product represents sales to household consumers and the total dollar value of sales of product to consumers other than household consumers does not exceed the dollar limitation per calendar year set by the FSIS Administrator;

3. Only federally or State inspected and passed meat product is handled or used in the preparation of any product;
4. No sale of meat product is made in excess of a normal retail quantity as described in Part B of this section;
5. The preparation of meat products to household consumers is limited to the operations listed in Part A of this section;
6. The preparation of meat products for sale to other than household consumers is limited to the operations described in Part V, A (1), (2), (4), and (5).

#### D. Retail Sales

The sale of meat products produced in a retail store under the exemption from inspection requirements described in 9 CFR § 301.1(d) is limited to household consumers or hotels, restaurants, or institutions (HRI) only. The term “consumer” is defined in 9 CFR § 303.1(d)(2)(vi) as “Any household consumer, hotel, restaurant, or similar institution as determined by the Administrator in specific cases”.

#### E. Recordkeeping Requirements

Any retail store claiming exemption under 9 CFR § 303.1(d), must maintain complete, accurate, and legible records of total monthly purchases and of total monthly sales of meat, meat byproducts, and meat food products in terms of dollar values of the products involved. These records must also separately show total sales to household consumers and total sales to other than household consumers. These recordkeeping requirements are detailed in 9 CFR § 303.1(d)(3). These records are required to be maintained for a period of two years after December 31 of the year in which the transaction has occurred, and for any further period as ODAFF MPI may require for purposes of any investigation or litigation by written notice to the person required to keep these records as described in 9 CFR § 320.3.

### VI. ADULTERATION AND MISBRANDING

The adulteration and misbranding provisions of the Oklahoma Meat Inspection Act (2 O.S. § 6-181 et seq.) and 9 CFR Part 300 to end, other than the requirement of the official inspection legend, apply to articles which are exempt from inspection or not required to be inspected. This includes the requirement that any pork and any product containing pork be prepared only in compliance with any applicable requirement for the destruction of trichina as provided in 9 CFR § 318.10.

All meat products produced at a retail store for sale to other than household consumers must be labeled in accordance with the requirements of 9 CFR Part 317. Each package or container is required to show the following information:

- The name of the product;

- If the product is fabricated from two or more ingredients, the word “ingredients” followed by a list of the ingredients as prescribed in 9 CFR § 317.2(f);
- The name and place of business of the retail store;
- An accurate statement of the net quantity of contents; and
- Safe handling instructions as described in 9 CFR 317.2(l).

The Oklahoma Board of Agriculture may extend the requirements of the Oklahoma Meat Inspection Act to any establishment where meat products are prepared for distribution, if it is determined that in accordance with the adulteration provisions of the Act (2 O.S. § 6-182(j)), the establishment is producing adulterated products which would clearly endanger the public health.

## **VII. COMMONLY ASKED QUESTIONS CONCERNING THE RETAIL PREPARATION OF RED MEAT PRODUCTS**

**1. Q: What is the sales limit for products prepared at retail for sale to other than household consumers?**

**A:** There are two caps on the sales of products prepared at retail for sale to other than household consumers which cannot be exceeded. No more than 25 % of the total red meat sales of a retail store can be made to other than household consumers. In addition the total red meat sales to other than household consumers cannot exceed the dollar limitation per calendar year set by the FSIS Administrator.

**2. Q: Where can I obtain the dollar limitation per calendar year set by the FSIS Administrator?**

**A:** The dollar limitation is adjusted during the first quarter of each calendar year. Notice of the adjusted dollar limitation is published in the FEDERAL REGISTER. This information is available on the USDA-FSIS website or it can be obtained by contacting the ODAFF MPI Compliance Section in Oklahoma City.

**3. Q: Can a retail store produce multi-ingredient meat products for sale to other than household consumers?**

**A:** Yes, provided that the operation will not have a definitive effect on the nature or safety of the product and that the product is properly labeled with all of the ingredients listed. However, the addition of a curing agent to Italian sausage would affect the nature of the sausage, as well as its safety, and the modified sausage would need to be named to reflect the fact that it is cured, and it would not be eligible for sale to other than household consumers.

**4. Q: Can a retail store produce a meat product that is cured, cooked, smoked or rendered or refined livestock fat for sale to other than household consumers?**

**A:** No, any of these operations would have a definitive effect on the nature of the product, and would have to be produced under either federal or State inspection.

**5. Q: Can a retail store produce a meat product that is cured, cooked, smoked or rendered or refined livestock fat for sale to household consumers?**

**A:** Yes, a retail store can produce and sell these types of meat products to household consumers only and are limited to normal retail quantities.

**6. Q: Can a retail store slice inspected ready-to-eat meat products for sale to other than household consumers?**

**A:** Yes, this operation would not have a definitive effect on the nature of the product, and is allowed under the exemption in 9 CFR § 303.1(d).

**7. Q: Do meat products produced at a retail store need to be labeled?**

**A:** Yes, the Oklahoma Meat Inspection Act (2 O.S. § 6-195(d)) provides that the adulteration and misbranding provisions of the Act, other than the requirement of the inspection legend, shall apply to articles which are not required to be inspected.

**8. Q: Can meat products produced at a retail store be sold to another retail store or to a distributor or wholesaler?**

**A:** No, meat products produced at a retail store can only be sold to household consumers, hotels, restaurants, or similar institutions.

**9. Q: Can meat products produced at a retail store be sold on the internet and shipped in interstate commerce?**

**A:** Yes, provided that the sales are to consumers as defined in 9 CFR § 303.1(d)(2)(vi), and that the meat components used in the products were federally inspected. State inspected meat products can only be distributed intrastate, and cannot move in interstate commerce by virtue of the fact that they were further processed in a retail store.

Any questions about this policy should be referred through supervisory channels or to the ODAFF MPI Compliance Section in the Oklahoma City Office.

  
**Stan Stromberg**  
Director, Food Safety Division

**DISTRIBUTION:**  
All MPI Personnel

**SUBJECT CATEGORY:**  
Compliance