

# Small Plant NEWS

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## Small Plant NEWS

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## Part II: Implementing the Public Health Information System (PHIS): An Overview of Its Benefits



**By Jane Johnson**

*In the second of a two-part series, Small Plant News takes a look at the benefits of the enhanced public health data infrastructure system being implemented by the U.S. Department of Agriculture's (USDA) Food Safety and Inspection Service (FSIS).*

As covered in the previous issue of *Small Plant News*, FSIS is launching an enhanced automated data infrastructure system known as the Public Health Information System, or PHIS. Important data collected by FSIS inspectors will be put into—and will be available from—this data system.

PHIS will have many benefits for plant owners with computer access and an Internet connection. It should be noted that if your plant doesn't have computer access and an Internet connection, you will not be required to

use a computer or the Internet at your plant. As a matter of fact, if you don't have computer and Internet access, you will likely not see any change in the day-to-day operations or FSIS inspections at your plant, with the following possible exceptions:

- Inspection program personnel and other Agency personnel will be alerted to irregularities or unusual events in the system data and will

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be better able to recognize negative trends. Inspection personnel will, in turn, notify the appropriate plant owner and/or operator. This may help the owner and/or operator prevent failures in the Hazard Analysis and Critical Control Point (HACCP) system, or identify and prevent other food safety hazards before they occur.

- You may see quicker response time from FSIS inspection personnel when they are reacting to events or performing followup tasks, such as sampling.
- Inspection personnel will be routinely tasked with verifying your HACCP plan's hazard analysis.

In short, your FSIS inspector in charge may be communicating with you more frequently about preventing problems. This is beneficial to you, the Agency, and the public.

Now, what if you do have computer and Internet access? How will you benefit from PHIS? First, according to Charles Gioglio of the FSIS Office of Field Operations, "PHIS will allow plant owners and operators to respond to



noncompliance records electronically, as well as to appeal them electronically."

If your plant doesn't have a computer or Internet access, you'll still be presented with a paper copy of each noncompliance record. You'll also be able to provide a written response on the paper copy if you wish. Appeals regarding noncompliance records will still be accepted on paper. (Although not required by regulation, it is recommended that such appeals be made in writing.)

Second, plant owners and/or operators will have the ability to get timely reports of inspection verifications from PHIS. "Having this data available will give plant owners and/or operators the ability to see trends and predict potential failures in their manufacturing processes, including their HACCP systems or parts of their HACCP systems, and prevent failures before they occur. This should help plants avoid food safety problems," added Gioglio.

Third, the plant profile in PHIS will contain more extensive information about the plants' operations, product types, and HACCP system, allowing the Agency to tailor inspection, sampling, or other activities based on plant characteristics and processes. PHIS will give a plant owner and/or operator the ability to view the data in his or her own plant's profile. If the owner and/or operator believes that data in the profile is inaccurate, he or she can request that the information be corrected and may provide records or other evidence to inspection program personnel to support the correction.

Fourth, for plants that are involved with exports, PHIS, once fully implemented, will facilitate the export process by automating plant applications for approval for export, applications for export certificates, and issuance of export certificates. The system will include an automated edit-check capability to make sure certificates comply with a foreign country's import requirements.

And fifth, for plants that import products, PHIS will facilitate electronic communication between governments, allowing for more efficient receipt of health certificates from foreign governments for product exported to the United States. The results of the inspections performed, including

the disposition of a product that has been refused entry, can be reported.

FSIS will give establishment owners and operators all of the information they need to gain optimal benefit from this new system. If you have any questions regarding PHIS, contact FSIS' Office of Policy and Program Development via askFSIS on the FSIS Web site at [www.fsis.usda.gov](http://www.fsis.usda.gov) or call 1-800-233-3935. You can also call the Small Plant Help Desk at 1-877-374-7435 or send an email to [InfoSource@fsis.usda.gov](mailto:InfoSource@fsis.usda.gov).

# Part I: Rural Development Stands Ready To Assist Small Meat and Poultry Plants With Loans

By Andy Jermolowicz and Janet McGinn

If you are a small packinghouse or processor and you want to expand, upgrade, or update your facility, assistance is available. As covered in the Volume 1, Number 3 issue of *Small Plant News*, USDA's Rural Development is ready to offer assistance in the form of loans and grants, which this two-part series will examine.

Rural Development is a key provider of loan and grant funding to help meet the diverse needs of rural communities. This Agency works with other Federal organizations, both within and outside of USDA, State, and local governments, and a broad range of private sector interests to achieve a coordinated effort to increase economic opportunity and improve the quality of life for all rural Americans.

While Rural Development does not offer a specific program for these activities, a number of loan guarantee and grant programs administered by this Agency may be applicable to small and very small meat and poultry processors looking to develop or expand their business. Rural Development loan guarantees can be used by individuals, businesses, or cooperatives for acquisition, conversion, enlargement, repair, modernization, development, purchase of equipment, leasehold improvements, machinery, supplies, or inventory.

Rural Development business assistance is available to applicants in eligible rural areas. For information about eligible rural areas, contact your Rural Development State office or visit the Agency's Income and Property Eligibility Web site at <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>.

Rural Development's primary lending program is the Business and Industry (B&I) Loan Guarantee program. The purpose of the B&I program is to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities. A borrower may be a cooperative organization, corporation, partnership, or other legal entity organized and operated on a profit or nonprofit basis; an Indian tribe on a Federal or State reservation or other federally recognized tribal group; a public body; or an individual.



Eligible B&I guaranteed lenders include any Federal- or State-chartered bank, farm credit bank, other farm credit system institution with direct lending authority, banks for cooperatives, savings and loan associations, mortgage companies that are part of a bank-holding company, credit unions, or insurance companies regulated by the National Rural Utilities Cooperative Finance Corporation. As applicable, these entities must be subject to credit examination and supervision by either an agency of the

United States or a State, either the National Credit Union Administration or a State agency, or are regulated by a State or national insurance regulatory agency. Other lenders that the Agency determines have the legal authority to operate a lending program and sufficient lending expertise and financial strength to operate a successful lending program can be eligible. All eligible lenders must have adequate experience and expertise to make, secure, service, and collect B&I loans.

Loan purposes may include, but are not limited to, the following:

- business and industrial acquisitions when the loan will keep the business from closing, prevent the loss of employment opportunities, or provide expanded job opportunities;
- business conversion, enlargement, repair, modernization, or development;
- the purchase and development of land, easements, rights-of-way, buildings, or facilities; or
- the purchase of equipment, leasehold improvements, machinery, supplies, or inventory.

For additional information on loan amounts, terms, etc., visit the Rural Development Business Programs Web site at [www.rurdev.usda.gov/BCP\\_gar.html](http://www.rurdev.usda.gov/BCP_gar.html) or call (202) 690-4730.

We'll cover the various grant programs that Rural Development offers in the next issue of *Small Plant News*.

# Commonly Asked Questions & Answers

**Q.** *What are the Rules of Practice?*

**A.** The Rules of Practice are set out in the regulations in Title 9 of the *Code of Federal Regulations*, Part 500. These regulations identify the conditions under which enforcement actions can be taken by the Agency and include the criteria for when those actions are warranted. These regulations were issued to ensure that all establishments are afforded due process.

**Q.** *Why are the Rules of Practice important?*

**A.** FSIS is responsible for treating all facilities consistently and fairly and for ensuring that each facility is afforded due process under the law.

## Food Safety Resources

By Sally Fernandez

**N**eed a handy reference tool to help determine whether you need to invest in a freezer? Want to figure out a way to explain to your customers the difference between line weight, carcass weight, and finished-cut weight? Could you use a quick primer on the various types of beef aging?

If your answer is yes, FSIS has a useful tool that can help you. The *Beef and Pork Whole Animal Buying Guide* is an easy-to-use resource for buying pork and beef as quarter, half, or whole carcasses from local meat producers. It explains marketing terms and includes information on meat inspection, storage, handling, and meat cut-out weight. It also includes photos of common retail beef and pork cuts. For beef, the photos include ribs, rib eye steak, ground beef, etc., and for pork, the photos include pork chops, tenderloin, roasts, etc. It even breaks down the different stages of meat-weight production, from the weight of live animals to the weight of carcasses to the weight of consumable meat.

The *Beef and Pork Whole Animal Buying Guide* was published by the Small Meat Processors Working Group at the Iowa State University Extension office. FSIS has copies of the guide for you free of charge.

If you would like to order a copy or have any questions about this guide, you can contact the Small Plant Help Desk at (877) 374-7435 or email [InfoSource@fsis.usda.gov](mailto:InfoSource@fsis.usda.gov).

