



Food Protection and Defense Institute

A Homeland Security Center of Excellence

June 9, 2020

COVID-19 Near-Term Issues Spotting in Food Supply Chain

Meat Supply Chain and Mass Hog Depopulation – UPDATE #30

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Updates issued on Fridays to track recovery trends



Action Opportunity Update

Critical path to meat supply chain disruption resolution

- Achieve full operating capacity at processing facilities in consideration of worker
 - Implement weekend processing to enhance short-term capacity
 - Coordinate worker protective equipment to:
 - maintain worker safety with normal operation PPE (specific to each job function and may include, for example, cut-resistant clothing, bump caps, dust masks/respirators, protective eyewear, protective foot wear, etc.);
 - maintain food safety with normal operation sanitation wear (specific to each product produced and may include, for example, hair/beard nets, disposable gloves, cloth or disposable coats/gowns, shoe covers, etc.); and
 - enhance COVID-19 infection control measures through cloth-face coverings, social distancing, physical barriers, etc.
- Manage depopulation and disposal of hog overstock in multiple states including rendering, composting, and burial as appropriate in each locality
- Support livestock producers and processors in achieving new equilibrium including financial and liability considerations

Transition point from meat supply chain to broader food system disruption

- Address increasing level of COVID-19 infections in non-meat supply chain food production and facilities
 - Enhance COVID-related worker health and surveillance processes
 - Coordinate worker protective equipment to:
 - maintain worker safety with normal operation PPE;
 - maintain food safety with normal operation sanitation wear; and
 - enhance COVID-19 infection control measures
- Begin enhanced monitoring of food production and processing status to identify transition points and potential cascading effects



Situation Update

Action by Appointed and Elected Officials (updated Tuesday and Friday)

- [America's Meatpacking Facilities Operating More Than 95% of Capacity Compared to 2019](#) – USDA
(Context: This release states that hog processing is at 95% capacity as compared to last year. This is a correct statement for the week ending June 6. However, the following factors should also be considered:
 - Prior to COVID disruption, hog processing was over 106% as compared to last year with hog production in equilibrium with this level of processing
 - The quoted 95% level equals about 90% of total hog processing capacity whereas pre-COVID processing was at 95% of total capacity
 - This level of processing achieved last week was due in part to a tremendous Saturday effort
 - At current processing levels, about 100,000 hogs are added to overstock each week with no diminution of past overstock levels except those that have been depopulated. Past overstock is estimated to be in excess of 3 million hogs.
 - Processing facility recovery is occurring more quickly than initial predictions with 12 of 28 previously impacted plants currently operating above 90% capacity, 11 plants between 80-90%, and the remaining 5 plants above 50% capacity.)

Recommendations from authoritative bodies (cumulative)

- [NEW Policy Brief: The Impact of COVID-19 on Food Security and Nutrition](#) – United Nations
- [Agriculture Workers and Employers](#) – CDC and US Dept of Labor
- [COVID-19 Federal Rural Resource Guide](#) - USDA
- Opening Facilities
 - [Reporting a Temporary Closure or Significantly Reduced Production by a Human Food Establishment and Requesting FDA Assistance During the COVID-19 Public Health Emergency](#) - FDA
 - [CDC updates COVID-19 transmission webpage to clarify information about types of spread](#) - CDC
 - [Food and Agriculture: Considerations for Prioritization of PPE, Cloth Face Coverings, Disinfectants, and Sanitation Supplies During the COVID-19 Pandemic](#) - FDA
 - [Meat and Poultry Processing Workers and Employers](#) – CDC
 - [Strategies to reduce COVID-19 transmission at Smithfield Foods Sioux Falls Pork Plant](#) - CDC
 - [COVID-19 Health and Safety Guidelines for the Meatpacking Industry](#) – Minnesota Department of Health
 - [Cleaning and Disinfection for Community Facilities](#) - CDC
 - [Exercise Starter Kit for Workshop on Reconstituting Operations](#) – FEMA
 - [North American Meat Institute Coronavirus Update](#) - NAMI
- Depopulation and Disposal
 - [APHIS Livestock Coordination Center](#) – USDA



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- [Recommendations for Swine Depopulation](#) (updated) – American Association of Swine Veterinarians
 - [Evaluating Emergency Euthanasia or Depopulation of Livestock and Poultry](#)
- [Emergency Animal Mortality Management – Swine](#) – USDA
- [USDA Carcass Management Dashboard](#) – USDA
- COVID from Food and Food Packaging
 - [How COVID-19 Spreads](#) – CDC (updated May 20, 2020)
 - [Best Practices for Retail Food Stores, Restaurants, and Food Pick-Up/Delivery Services During the COVID-19 Pandemic](#) – FDA
 - [Best Practices for Re-Opening Retail Food Establishments During the COVID-19 Pandemic](#) – FDA
 - [Safe Food Handling](#) - FDA
 - [Food Product FAQs](#) - FDA
 - [Food Safety and the Coronavirus Disease 2019 \(COVID-19\)](#) – FDA
 - [What to Do if You Have COVID-19 Confirmed Positive or Exposed Workers in Your Food Production, Storage, or Distribution Operations Regulated by FDA](#) – FDA

Activist Situation Update

An activist situation report was prepared by FPD and provided to the Food and Agriculture Sector Coordinating Council on June 5, 2020. It was also included in the Update #29, June 5, 2020, of this series.

Although activist situations are primarily targeted at individual facilities, the current climate indicates there is a larger national security threat as well due to the active destabilization efforts directed at all levels of animal agriculture, the incorporation of violence by animal activist groups in unrelated social unrest, and the enhanced risk of animal disease transmission that results from breaches of facility biosecurity by activists.



Hog Update

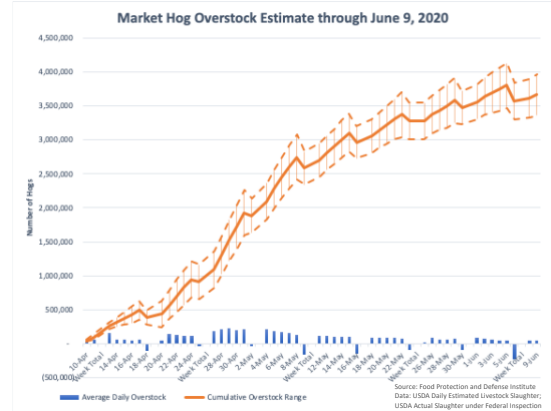
Daily Hog Slaughter and Overstock Addition (updated Tuesday and Friday)¹

- Total overstock estimate – 3.6MM, uncertainty range 3.4MM to 4.0MM.
(USDA Daily Estimated Livestock Slaughter; USDA Actual Slaughter under Federal Inspection)

- Daily slaughter numbers

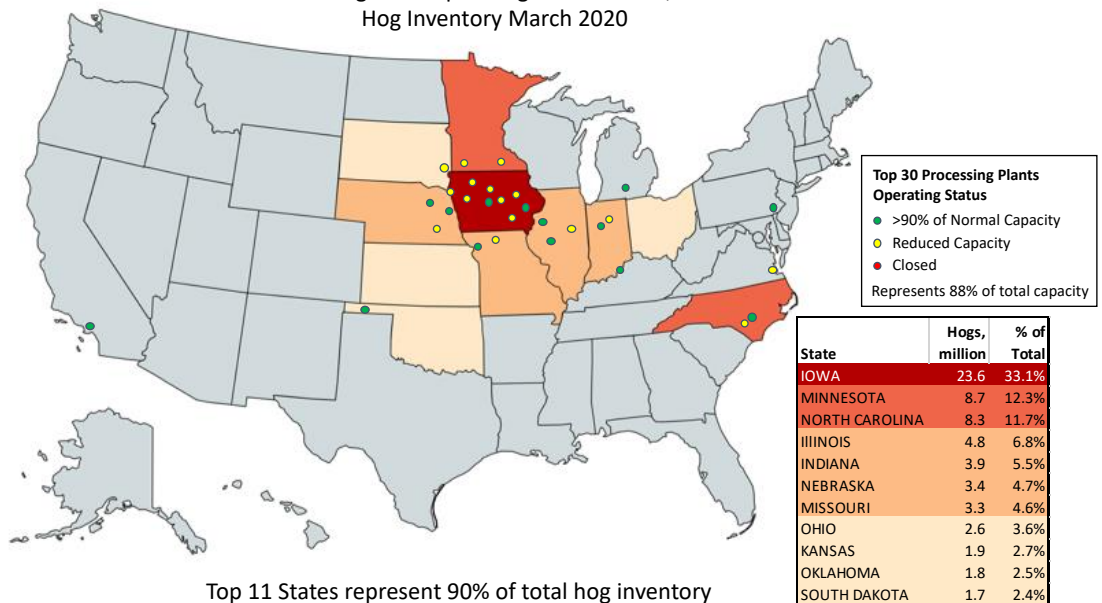
	Daily Estimate	Same day April 3-9	Year Ago
June 8	445,000	474,731	465,191
June 9	450,000	483,431	478,435

(USDA Daily Estimated Livestock Slaughter; USDA Actual Slaughter under Federal Inspection)



- Daily pork processing capacity
 - Approximately 88% for the first two days of the week ending June 13
 - Capacity reduction approximately 12% June 8. June 8 had 12 of 28 previously impacted plants functioning at over 90% normal capacity. (USDA Daily Estimated Livestock Slaughter; Kern and Associates courtesy of NPPC)

Processing Plant Operating Status June 8, 2020
Hog Inventory March 2020



Top 11 States represent 90% of total hog inventory

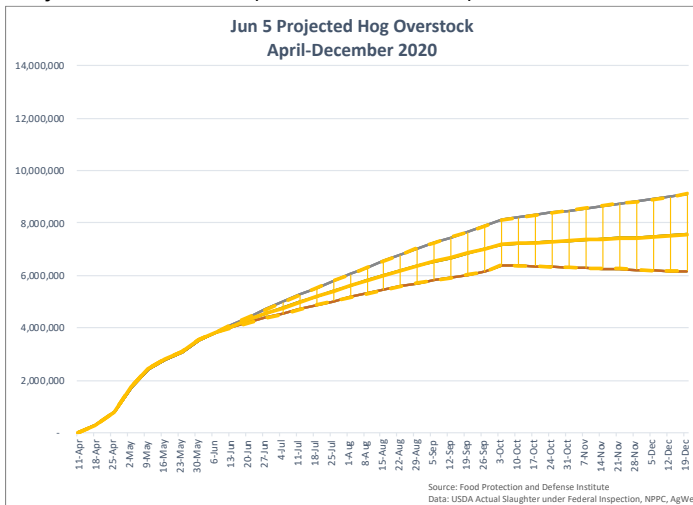
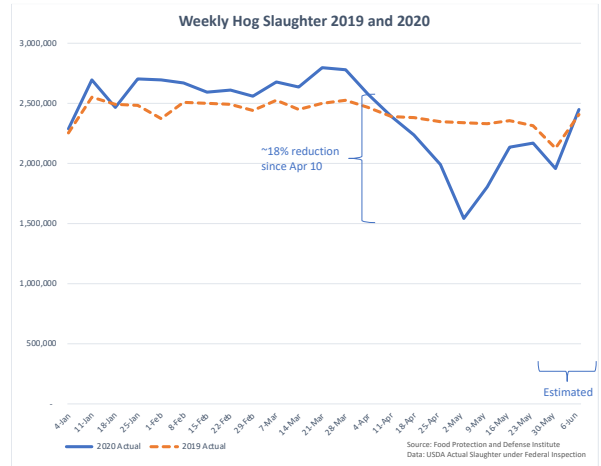
Source: Food Protection and Defense Institute
Data: USDA National Agricultural Statistics Service Quarterly Hogs and Pigs;
Steiner Group and Kerns & Associates courtesy of NPPC

¹ Total hog overstock estimates do not include depopulation numbers due to the confidentiality and sensitivity of these numbers. Public reporting includes 10,000 per day in Minnesota and 600,000 in Iowa in the near future.



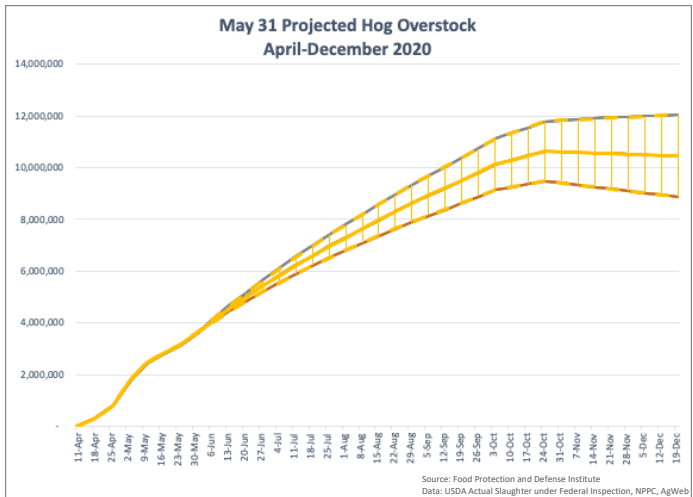
Weekly Hog Slaughter and Overstock Projections (updated Friday)

- Weekly slaughter numbers for week ending June 5 down approximately 4.6% (USDA Daily Estimated Livestock Slaughter; USDA Actual Slaughter under Federal Inspection)
- Total slaughter numbers are down 17% to date starting from the week ending April 11. (USDA Daily Estimated Livestock Slaughter; USDA Actual Slaughter under Federal Inspection)
- Total hog overstock projections through December 2020 expected to peak at about 7.5MM market weight hogs due to unanticipated recovery during the week of June 5. June 5 and May 31 models are provided for comparison.



Assumptions

- Hog inventory at 95% plant capacity through mid-October representing market conditions for pigs already born and in growth cycle prior to COVID-19
 - Year on year capacity increase of 6.4% to April 9
 - Adjusted for normal weekly fluctuation in plant capacity (e.g. holiday reductions)
 - Average plant capacity
 - **90% by week of Jun 5 through remainder of year**
 - Young pig and sow culling (relative to Q1)
 - No culling prior to April 10
 - 5% for pigs reaching market weight in mid-September
 - 10% for pigs reaching market weight in mid-October
 - The 10% reduction in herd size as compared to Q1 2020 and 90% normal plant capacity creates a pseudo-equilibrium
- (Date: June 5, 2020)



Assumptions

- Hog inventory at 95% plant capacity through mid-October representing market conditions for pigs already born and in growth cycle prior to COVID-19
 - Year on year capacity increase of 6.4% to April 9
 - Adjusted for normal weekly fluctuation in plant capacity (e.g. holiday reductions)
 - Average plant capacity
 - 85% by week of May 17
 - 90% by week of Aug 1 – level expected for COVID-19 worker health and safety measures
 - Young pig and sow culling (relative to Q1)
 - No culling prior to April 10
 - 5% for pigs reaching market weight in mid-September
 - 10% for pigs reaching market weight in mid-October
 - 17% for pigs reaching market weight in November
 - The 17% reduction in herd size as compared to Q1 2020 and 90% normal plant capacity creates a pseudo-equilibrium
- (Date: May 29, 2020)



Hog media coverage (updated Tuesday and Friday)

(This section contains exemplary media coverage from multiple perspectives around the issue.)

- [COVID-19 exacts a high cost from Minnesota hog farmers](#) – CBS News, June 9, 2020

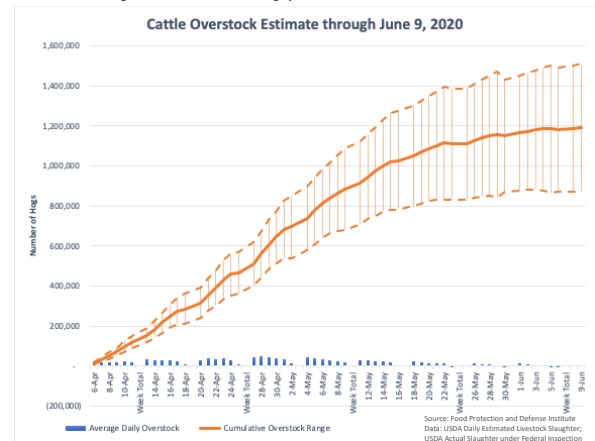
Cattle Update

Daily Cattle Slaughter and Overstock Addition (updated Tuesday and Friday)

- Total overstock estimates – 1.2MM, uncertainty range 0.9MM to 1.5MM. (USDA Daily Estimated Livestock Slaughter; USDA Actual Slaughter under Federal Inspection)
- Daily slaughter numbers

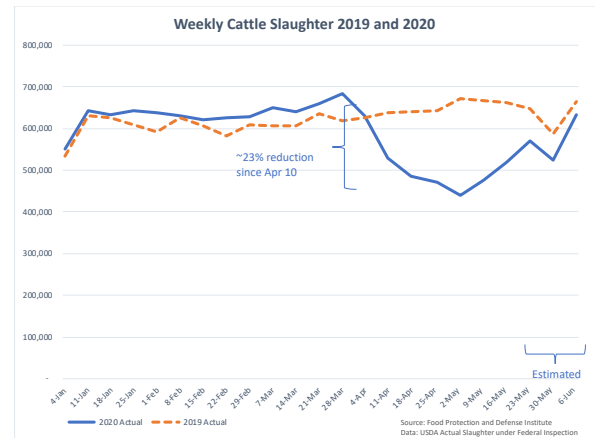
	Daily Estimate	Same day April 3-9	Year Ago
June 8	117,000	117,773	121,892
June 9	117,000	122,055	118,440

(USDA Daily Estimated Livestock Slaughter; USDA Actual Slaughter under Federal Inspection)



Weekly Cattle Slaughter and Overstock Projections (updated Friday)

- Weekly slaughter numbers for the week ending June 5 were down approximately 9% with a 23% reduction to date starting from the week ending April 4. (USDA Daily Estimated Livestock Slaughter; USDA Actual Slaughter under Federal Inspection)

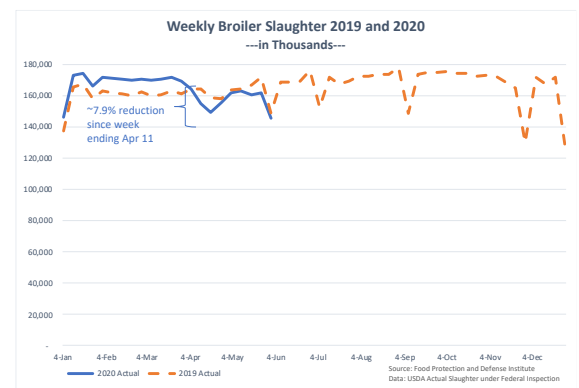
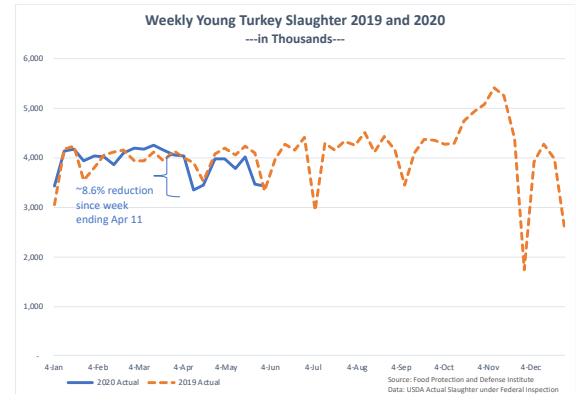




Poultry Update

Weekly Poultry Slaughter and Overstock (updated Friday)

- Young Turkeys
 - Young turkey weekly slaughter numbers for the week ending May 30 were down approximately 0% with an 8.6% reduction to date starting from the week ending April 4. (USDA Actual Slaughter under Federal Inspection)
- Broilers
 - Broiler slaughter numbers for the week ending May 30 were down approximately 6.9% with an 7.9% reduction to date starting from the week ending April 4. (USDA Actual Slaughter under Federal Inspection)



Livestock Media Update (updated Tuesday and Friday)

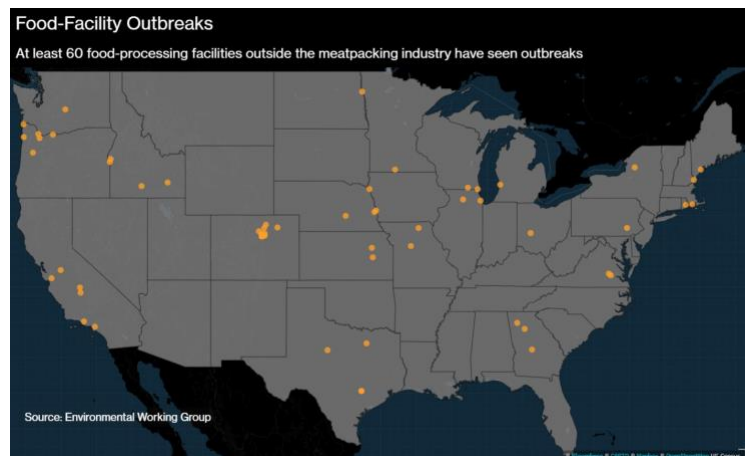
Webinars

- -

Processing facilities media coverage

(This section contains exemplary material from multiple perspectives around the issue.)

- [Outbreaks at 60 U.S. Food Plants Raise Specter of More Shortages](#) – Bloomberg, June 9, 2020 (Image included)
 - “About 35% of food processing and dairy facilities have had at least one confirmed Covid-19 case, according to an International Brotherhood of Teamsters survey in May of union locals representing 79 plants. Roughly 80% of employers weren’t testing for the virus and more than a quarter of the workplaces didn’t allow employees to physically distance themselves 6 feet apart, the survey showed.”
- [Take a Look at How Covid-19 Is Changing Meatpacking Plants](#) – New York Times, June 9, 2020 (Context: Easy to read infographic style)





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- [Meatpacking plant linked to third of all Utah COVID-19 cases still open, officials say](#) – The News Tribune, June 9, 2020
- [Mapping Covid-19 outbreaks in the food system](#) – Food & Environment Reporting Network
 - “According to data collected by FERN, as of June 9 at 12pm ET, at least 283 meatpacking and food processing plants and 39 farms and production facilities have confirmed cases of Covid-19, and no meat or food processing plants are currently closed. At least 28,713 workers (24,715 meatpacking workers, 1,770 food processing workers, and 2,228 farmworkers) have tested positive for Covid-19 and at least 101 workers (92 meatpacking workers, 7 food processing workers, and 2 farmworkers) have died.”

Economic media coverage

(This section contains exemplary media coverage from multiple perspectives around the issue.)

- [U.S. food makers stock up on ingredients in case of another coronavirus surge](#) – Los Angeles Times, June 9, 2020

Producer media coverage

(This section contains exemplary media coverage from multiple perspectives around the issue.)

- [Animal ag speaks out on COVID-19 blame game](#) – Feedstuffs, June 9, 2020
 - [Open Letter on the Value of Animal Agriculture](#)

Food shortage media coverage

(This section contains exemplary media coverage from multiple perspectives around the issue. At present, there are no indications of wide-scale food shortages although supply chain disruptions continue to create spot limited supply or out of stock situations.)

- [Fastest-Rising Food Prices in Decades Drive Consumers to Hunt for Value](#) – Wall Street Journal, June 9, 2020
- [World faces worst food crisis for at least 50 years, UN warns](#) – The Guardian, June 9, 2020
- [What Will It Take to Avoid a Global Food Shortage](#) – Bloomberg Green, June 9, 2020

Activist media coverage

(This section contains exemplary media coverage around the issue and should not be interpreted as the views of the author or the Institute.)

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Previous updates available upon request

[\[Watch\] Dogs Can Tell If You Have Coronavirus by Smelling Your Armpit: Here's the Breed That Does It Best](#) – The Science Times, June 8, 2020 (Context: 83-100% accuracy)