



Food Protection and Defense Institute

A Homeland Security Center of Excellence

July 10, 2020

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

Meat Supply Chain and Mass Hog Depopulation – UPDATE #35

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Updates issued on Fridays to track recovery trends

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Action Opportunity Update

Critical path to meat supply chain disruption resolution

- Maintain full operating capacity at processing facilities in consideration of worker health
 - 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.
- Continue to manage overstock through processing capacity, husbandry practices, alternative slaughter options, 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
- Begin monitoring of global impact of COVID-19 on food security as a potential precursor for civil unrest



Situation Update

Action by Appointed and Elected Officials

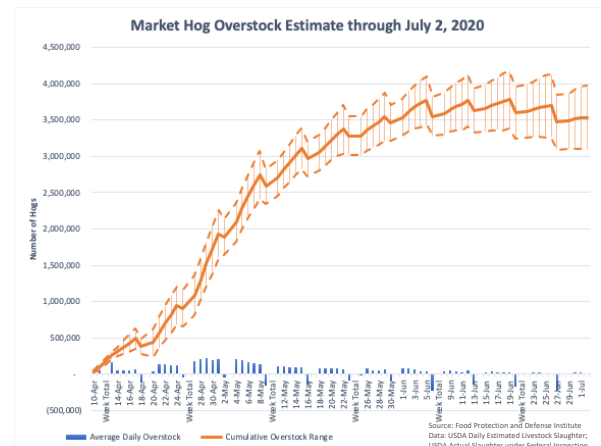
- [Coronavirus \(COVID-19\) Update: FDA prepares for resumption of domestic inspections with new risk assessment system](#) – FDA, July 10, 2020
- [Update: COVID-19 Among Workers in Meat and Poultry Processing Facilities — United States, April–May 2020](#) – CDC, July 7, 2020
- [U.S. Department of Labor Issues Poster to Keep Meat Packing, Poultry and Pork Workers Safe During the Coronavirus Pandemic](#) – Dept of Labor, July 8, 2020
- [Germany: COVID-19 Will Change German Livestock Industry](#) – USDA GAIN, July 6, 2020 (Context: Reports includes indication that cooling system “likely responsible for the quick spread of COVID-19.”)
- [RAMP-UP Act Will Help Meat and Poultry Processors Access Inspection to Meet Demand](#) – Peterson, July 2, 2020

Hog Update

Daily Hog Slaughter and Overstock Addition

- Cumulative overstock estimate
 - 3.3MM, uncertainty 2.9-3.6 MM
 - lower than previous week
 (USDA Daily Estimated Livestock Slaughter; USDA Actual Slaughter under Federal Inspection)
- Daily slaughter numbers

	Daily Estimate	Same day April 3-9	Year Ago
July 6	452,000	474,731	483,042
July 7	469,000	483,431	476,681
July 8	467,000	472,974	481,869
July 9	469,000	467,945	478,373
July 10	466,000	482,993	460,276
July 11	283,000	140,189	38,552



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

- Daily pork processing capacity
 - Approximately 100% of pre-COVID capacity for the week ending July 11
 - Capacity reduction from maximal capacity approximately 6% on July 2 with 23 of 28 previously impacted plants functioning at over 90% normal capacity and 16 of these over 95% capacity. The plant closure was for facility remodeling. (USDA Daily Estimated Livestock Slaughter; Kern and Associates courtesy of NPPC)



Processing Plant Operating Status July 2, 2020
Hog Inventory March 2020

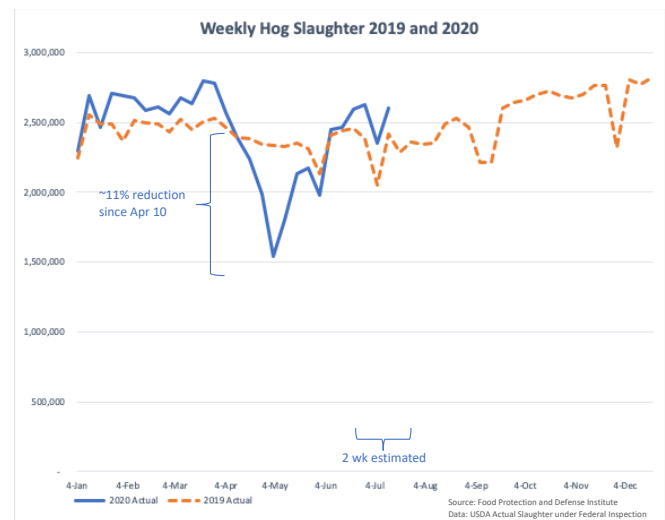


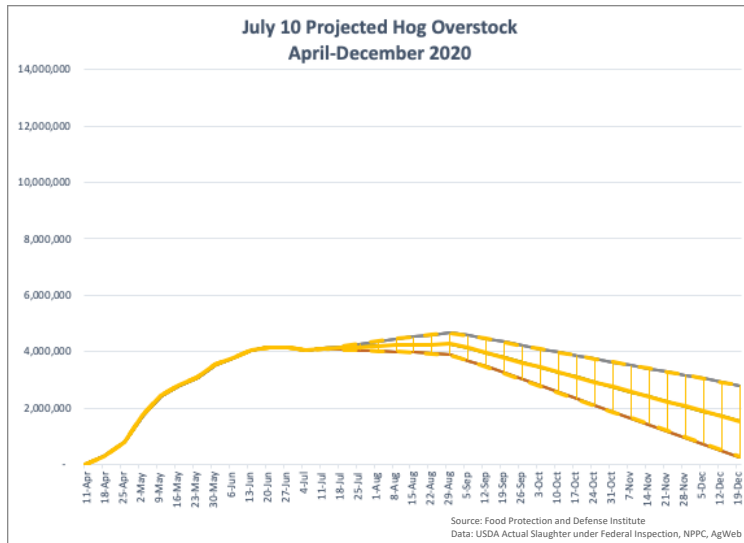
Top 11 States represent 90% of total hog inventory

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

Weekly Hog Slaughter and Overstock Projections

- Weekly slaughter numbers for the week ending July 11 were near pre-COVID levels with a 11% reduction 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 4.2MM market weight hogs peaking in early September due to continued accelerated recovery. The model for final quarter of 2020 supports a lessened amount of culling to support slaughter equilibrium.





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 excluded after Aug 31, 2020
- Adjusted for normal weekly fluctuation in plant capacity (e.g. holiday reductions)
- Average plant capacity
 - 90% by week of Jun 5
 - Normal capacity 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
 - 5% for pigs reaching market weight in mid-October

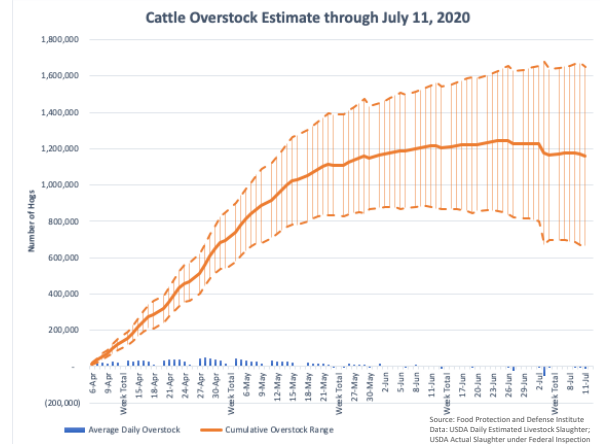
(Date: July 10, 2020)

Cattle Update

Daily Cattle Slaughter and Overstock Addition

- Total overstock estimates – 1.2MM, uncertainty range 0.7MM to 1.6MM – slightly lower than previous week (USDA Daily Estimated Livestock Slaughter; USDA Actual Slaughter under Federal Inspection)
- Daily slaughter numbers

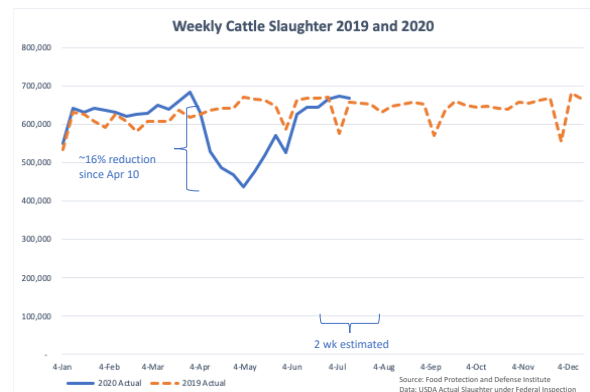
	Daily Estimate	Same day Wk Apr 4	Year Ago
July 6	119,000	118,756	119,137
July 7	119,000	119,473	119,848
July 8	120,000	117,235	118,260
July 9	120,000	115,152	119,269
July 10	119,000	107,188	117,059
July 11	71,000	53,495	64,859



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

Weekly Cattle Slaughter and Overstock Projections

- Weekly slaughter numbers for the week ending July 11 were up approximately 3% with a 16% reduction to date starting from the week ending April 4. (USDA Daily Estimated Livestock Slaughter; USDA Actual Slaughter under Federal Inspection)

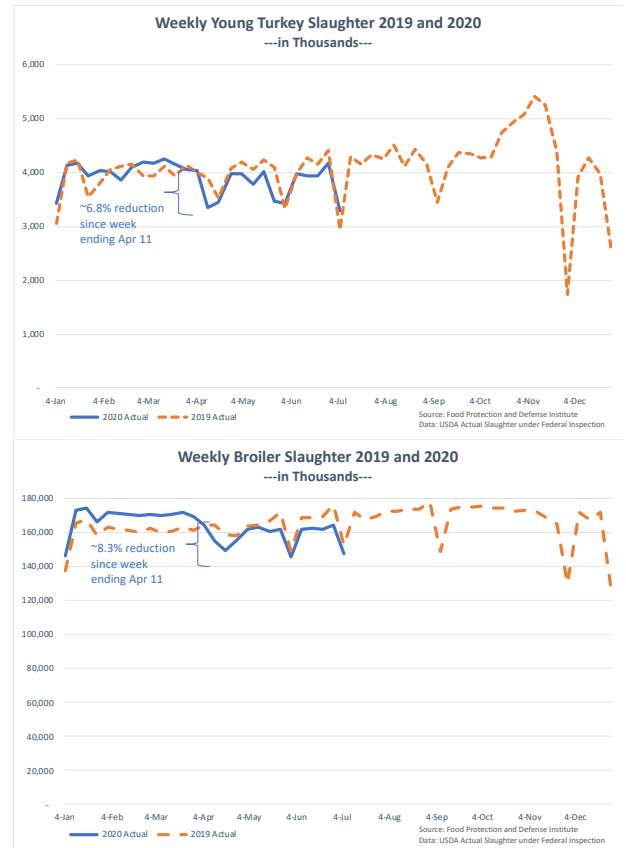




Poultry Update

Weekly Poultry Slaughter and Overstock

- Young Turkeys
 - Young turkey weekly slaughter numbers for the week ending July 4 were up approximately 9% with an 7% reduction to date starting from the week ending April 4. (USDA Actual Slaughter under Federal Inspection)
- Broilers
 - Broiler slaughter numbers for the week ending July 4 were down approximately 8% with an 8% reduction to date starting from the week ending April 4. (USDA Actual Slaughter under Federal Inspection)



Livestock Media Update

Webinars

- [Food Safety During the Coronavirus](#) – SonnySide of the Farm, July 9, 2020 (recorded podcast)

Processing facilities media coverage

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

- [USDA won't require meat and poultry testing for COVID-19](#) – Food Safety News, July 9, 2020
- [Covid-19: Meatpacker Tönnies might restart, with safety plan](#) – Pig Progress, July 7, 2020
- [Tyson Turns to Robot Butchers, Spurred by Coronavirus Outbreaks](#) – Wall Street Journal, July 9, 2020
- [Coronavirus reported in over half of Latino meat, poultry workers in 21 states, CDC says](#) – NBC News, July 8, 2020
- [COVID-19 hit U.S. meat, poultry plant workers hard in April, May: U.S. report](#) – Reuters, July 7, 2020
- [Nearly 90 percent of COVID-19 cases at meat plants were minority workers: CDC](#) – The Hill, July 7, 2020
- [Mapping Covid-19 outbreaks in the food system](#) – Food & Environment Reporting Network
 - “According to data collected by FERN, as of July 10 at 12pm ET, at least 490 meatpacking and food processing plants (367 meatpacking and 123 food processing) and 63 farms and production facilities have had confirmed cases of Covid-19. At least 43,077 workers (34,961 meatpacking workers, 3,988 food processing workers, and 4,128 farmworkers) have tested positive for Covid-19 and at least 162 workers (144 meatpacking workers, 14 food processing workers, and 4 farmworkers) have died.”



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Producer media coverage

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

- [See why potato farmers are destroying millions of potatoes](#) – Business Insider, June 30, 2020
- [How is COVID-19 impacting Minnesota's pork industry?](#) – Swineweb, July 10, 2020

Economic media coverage

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

- [The lives upended around a \\$20 cheeseburger](#) – Washington Post, July 7, 2020 (Context: human side of hamburger supply chain)
- [Beef and Pork Supply Chain Recovering](#) – Farm Bureau, July 10, 2020
- [Coronavirus Slowed U.S. Exports of Beef and Pork in May](#) – Successful Farming, July 8, 2020
- [COVID-19 causes disruptions in pork, beef export markets](#) – Farm Progress, July 7, 2020
- [BlackRock Bottom Line: 3 geopolitical themes shaping the post-COVID 19 world](#) – Black Rock, June 25, 2020
- [China to auction 20,000T of frozen pork from state reserves on July 10](#) – Reuters, July 7, 2020
- [China halts imports from two more Brazil meat plants amid COVID-19 concerns](#) – Reuters, July 5, 2020
- [China Continues to Scale Back Meat Imports Amid Pandemic](#) – Forbes, July 9, 2020
- [China flags another imported food as possible COVID-19 carrier](#) – Fortune, July 10, 2020

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.)

- [How COVID-19 has changed the way we eat, according to five experts](#) – Fast Company, July 2, 2020
- [Prices for beef, chicken rise to new highs as a result of COVID-19 pandemic](#) – ABC Columbia, July 9, 2020
- [12,000 people per day could die from Covid-19 linked hunger by end of year, potentially more than the disease, warns Oxfam](#) – Oxfam, July 9, 2020
 - [The hunger virus: how COVID-19 is fuelling hunger in a hungry world](#)
- [Covid/protests bring food shortages and community support](#) – The Circle, July 6, 2020
- [Cities Respond to COVID Needs by Rescuing Surplus Food](#) – NRDC, July 9, 2020
- [Is the COVID-19 pandemic turning into a European food crisis?](#) – European Journal of Public Health, July 8, 2020
- [In Syria, a Grim Trade-Off Between Tackling Pandemic and Famine](#) – Foreign Policy, July 7, 2020



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Recommendations from authoritative bodies (cumulative)

- [Protecting Seafood Processing Workers from COVID-19](#) - CDC
- [Daily Life and Coping](#) – CDC
- [Policy Brief: The Impact of COVID-19 on Food Security and Nutrition](#) – United Nations
- [COVID-19 Federal Rural Resource Guide](#) - USDA
- Opening Facilities
 - [Meat and Poultry Processing Workers and Employers](#) – CDC
 - [Meat and Poultry Processing Facility Assessment Toolkit](#) – CDC
 - [Agriculture Workers and Employers](#) – CDC and US Dept of Labor
 - [Agricultural Employer Checklist for Creating a COVID-19 Assessment and Control Plan](#)
 - [Guidance for workers and employers](#) – OSHA (many documents available)
 - [COVID-19 Health and Safety Guidelines for the Meatpacking Industry](#) – Minnesota Department of Health
 - [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
 - [COVID-19 Frequently Asked Questions](#) – OSHA (Context – cloth face coverings)
 - [Use of Cloth Face Coverings to Help Slow the Spread of COVID-19](#) – CDC
 - [FAQs regarding the use of masks in the workplace](#) – OSHA
 - [Strategies to reduce COVID-19 transmission at Smithfield Foods Sioux Falls Pork Plant](#) - CDC
 - [Cleaning and Disinfection for Community Facilities](#) - CDC
 - [Exercise Starter Kit for Workshop on Reconstituting Operations](#) – FEMA
 - [North American Meat Institute Coronavirus Update](#) – NAMI
 - [Testing Strategy for Coronavirus \(COVID-19\) in High-Density Critical Infrastructure Workplaces after a COVID-19 Case Is Identified](#) - CDC
- Depopulation and Disposal
 - [APHIS Livestock Coordination Center](#) – USDA
 - [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



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- [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

Previous updates available upon request