Wholesale Meat Exemptions at Retail

Generally speaking, meat and poultry products from retail establishments may not be wholesaled except for the exemptions noted below.

**Hotels, Restaurants, and Institutions (HRI) Exemption**

This exemption allows retail food establishments to wholesale simple meat and poultry products as specified in 9 CFR 303.1(d)(2)(vi).

- Products cannot be cooked or cured, and can only be minimally processed by steps such as adding seasoning, grinding or cutting.
- The receiving or purchasing entity must be an entity that will serve the food as a meal and not resell it. Purchasing entities may only be hotels, restaurants and institutions.
- Received raw meat (e.g., ground beef, roast, bratwurst) or poultry must be further processed as part of a meal or entrée.
- Wholesale meat and poultry product sales are limited to 25% of the retail food establishment’s gross annual dollar volume of meat and poultry sales or a dollar amount set by the USDA, whichever is less.

*An example of sales to HRI purchasing entities is:* Grocery stores selling hamburger patties to bars and retail food establishments-serving meals (restaurants).

**Central Kitchen Exemption**

A central kitchen can produce both meat and poultry products that are cooked and then transported to retail food establishments operated by the same legal entity for service as specified in 9 CFR 303.1(d)(2)(iv)(c) and 9 CFR 381(d)(2)(iv)(c) as cited in 97.42(2)(bg).

- The meat or poultry product must be fully prepared and cooked before delivery. If refrigerated prior to delivery, good manufacturing practices must be used to ensure the meals are kept at 41 degrees F or below.
- Employees of the central kitchen must transport the meat or poultry product directly to the receiving retail food establishment-serving meals.
- Once the food leaves the central kitchen, it shall be delivered to the retail food establishment serving meals without any intervening transfer or storage.
- The meat or poultry product can be served only as a meal or entrée to the end customer.
- There are no dollar volume limitations.

*Example:* An operator has a central restaurant kitchen that produces smoked meat products. They may transport the smoked meat product to other...
retail food establishments-serving meals that are operated under the same legal entity for sale as part of a meal.

**Meat and/or Poultry Pizza Exemption**

This exemption applies to meat and poultry pizzas as defined under 9 CFR 303.1(d)(2)(iv)(d)(1) and 9 CFR 381.10(d)(2)(iv)(e)(1) as cited in 97.42(2)(bg), that are made and transported ready to eat to be sold by a public or private nonprofit institution as defined in 9 CFR 303.1.

- The pizzas may only be transported to public or private nonprofit institutions.
- The pizzas must be prepared and cooked before delivery. If refrigerated prior to delivery, good manufacturing practices must be used to ensure the pizzas are kept at 41 degrees F or below.
- The pizza must be transported by employees of the preparing restaurant, receiving firm, or a private food service transport company contracted to conduct food service at the public or private nonprofit institution, without intervening transfer or storage.

*Examples:* A school cafeteria receives pizzas from a local establishment and resells the pizzas during a lunch meal service. Or, a pizza restaurant delivers ready-to-eat pizzas to the sports boosters concession stand at the football game so the boosters can sell the pizza to raise money for their nonprofit group.