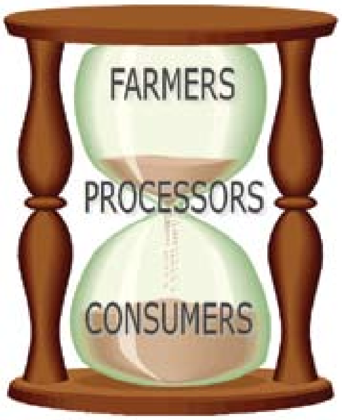
agribizacct@comcast.net | www.agribusinessaccountability.org | (410) 319-9143

LEVELING THE FIELD – ISSUE BRIEF #4

Hogging the Market:

How Powerful Meat Packers are Changing our Food System and What We can do About it



Harper & LeBeau (2002)

In their book *Food, Society, and Environment,* Charles Harper and Bryan Le Beau ask readers to envision the food production system as an hourglass. On one end are millions of farmers, ranchers, and farm workers raising crops and livestock; in the middle are a small number of companies that carry out the slaughtering, packing, processing, and distribution of food; and on the other end, purchasing food from that small group of processors and distributors, are millions of consumers.[1]

That small neck in the middle of the hourglass—the packers and processors—may not be a part of the food chain that we often think about. But meat packers and processors have an immense amount of power over the shape of our food system, and the power that they exercise can have harmful effects on both ends of the hourglass—closing markets to independent livestock producers and affecting the price and safety of meat for consumers—as well as on the safety and health of the workers these packers employ.

Their power is growing. Over the last few decades, small and mid-sized meatpackers have been replaced by a small number of very large meatpacking firms (a trend referred to as **market concentration**, when control over a market concentrates in the hands of a small number of companies). Today, just four large packing companies process 83% of cattle raised for beef in the United States. Four others process 64% of the hogs. In the early 1900s, when 5 firms controlled 66% of meatpacking, public outcry led Congress to pass the Packers and Stockyards Act, a law whose goal was to curtail the power of meatpackers by preventing them from manipulating prices and engaging in practices that discriminated unfairly against independent producers.[3] As we'll see below, evidence suggests that the law has been largely ineffective and the problems are recurring.

The story of how we got to where we are now, and of how a few powerful meatpacking companies are shaping our food system, is a complicated one. But understanding it is critical to the effort to build a healthier, safer, more humane food system. This issue brief, which is one in a series on agribusiness concentration, will lay out some of the major issues in meatpacking and processing. Then, it will discuss strategies and resources for getting involved and creating something better.

Meat Packers in the Food System

Packing and processing firms do more than just slaughter and butcher the animals that happen to arrive at their door. Today, packers are heavily involved in complex efforts to secure a steady supply of low-cost livestock—and their involvement has changed the shape of the entire system.

Up until the 1970s and 80s, most livestock producers would bring their animals to regional packing plants when they were ready for slaughter. The packing plants bought most of their animals directly from producers in an open market auction, where all producers competed with each other and knew what the going price was. But in recent years, that's changed. Many large packing plants now hold production contracts with large producers—those who raise thousands of animals at a time—and deal only with them (see Issue Brief #1 for more information). If the terms of these contracts are not made public, the few producers still selling on the open market will have no way of knowing what price the contract producers are getting.

There's been another growing trend in recent years: the direct ownership of livestock by packers. This is called **captive supply,** and it has raised serious concerns among economists, producers, and consumers alike because captive supplies can be used to manipulate the market. If, for example, a packer expects prices to be particularly high on a certain day, it can choose to slaughter only animals from its own captive supplies on that day. As a result, livestock producers will not be able to get their animals into the plants. When prices drop, the packer can return to buying on the open market or from contract producers. The Organization for Competitive Markets calculated that in 2006 alone, packers' use of captive supplies drove down prices for producers by $69/head for cattle and $32-$48/head for hogs, resulting in a total loss for producers of $5.7 billion.[4]

We'll return to some of these issues in the coming pages. For now, simply know that packers do a lot more than just slaughtering livestock. And what they do—and how they do it—has ripple effects all across the food system.

Share of Livestock Markets Controlled by the Top 4 Companies

"If the top 4 firms control over 40% of an industry, that industry can be seen as highly consolidated." [2]

Beef Packers – 83.5%
1. Tyson
2. Cargill
3. Swift & Co.
4. National Beef Packing Co.

Pork Packers – 66%
1. Smithfield Foods
2. Tyson Foods
3. Swift & Co.
4. Cargill

Broiler Chickens – 58.5%
1. Pilgrim's Pride
2. Tyson
3. Perdue
4. Sanderson Farms

Source: Hendrickson and Heffernan (2007)

Meatpackers and How They Grew: The Role of Federal Policies

Weak competition policies put livestock producers at risk

The **Packers and Stockyards Act** (PSA) was passed in 1921 as a response to a Federal Trade Commission inquiry into unfair control of livestock markets by the five firms that dominated meatpacking at the time, slaughtering 66% of all livestock.[5] Noted the Commission: "It appears that five great packing [companies]… have attained such a dominant position that they control at will the market in which they buy their supplies, the market in which they sell their products, and hold the fortunes of their competitors in their hands."[6] Their dominance gave them the power to determine prices, discriminate against certain types of producers, and deliver sub-par products to consumers. For observers of today's industrial food system, the Commission's comments sound eerily familiar.

The PSA prohibits packers from engaging in "any unfair, unjustly discriminatory, or deceptive practice or device." These practices range from price discrimination against independent livestock producers (those not selling under contract) to the creation of monopolies.[7] Unfortunately, the PSA has failed to hold back the tide of concentration in recent years.

The law's weakness stems primarily from the weakness of the federal agency charged with enforcing it, the **Grain Inspection, Packers and Stockyards Administration (GIPSA).** In two recent reports, the Office of the Inspector General of the USDA and the General Accounting Office (GAO) both find that GIPSA does not have the ability to effectively investigate charges of anti-competitive practices by packers. GIPSA's ineffectiveness comes in part from understaffing, and in part from the fact that anti-competitive behavior is often difficult to prove.[8] Both reports recommend that GIPSA's investigative capabilities be strengthened by increased staffing and better coordination with the Department of Justice.

Other analysts have noted a loophole in the PSA restricting enforcement against poultry companies, which adds to its ineffectiveness. They suggest that the legislation be clarified to give USDA authority over violations in the poultry sector.[9]

The PSA was amended in 1999 by the **Livestock Mandatory Reporting Act (LMRA),** which requires the USDA to collect and publicize information about the contracts that packers sign with livestock producers. Ideally, this law would help bring more transparency to the market by allowing independent producers to see the prices that contract producers are being offered, and by allowing contract producers to compare different contract options. But again, implementation has been slow and large information gaps persist.[10] A GAO report in 2005 found that the USDA failed to follow up on many cases where information from packers was missing, and failed to inform the public about the violations that their audits revealed. But after strong lobbying by the meat industry, the law was reauthorized a year later without amendments to address the GAO's concerns.[11]

As a result, it is often difficult for livestock producers to find information about market prices. This is what economists call "asymmetry of information": packers possess more information about prices and contract terms than producers do, raising the likelihood that producers will end up with no access to markets or be forced to accept an unfairly low price.

Policies written for large meatpackers create barriers for smaller operations

Just as smaller, independent livestock producers have been largely locked out of the food system as meatpacking plants have grown in size and power, so too have smaller-scale meatpacking plants been locked out. One major challenge facing smaller slaughter facilities relates to recent changes in the federal laws that govern food safety. These standards are now designed for much larger operations; the new regulations are cumbersome, costly, and oftentimes impractical for small packers to meet. While food safety laws are unquestionably important, critics contend that existing laws not only affect small operations negatively but also fail to properly and adequately protect food safety in large operations.

> *"The code said we had to have bathrooms for our employees. I told them we were 50 feet away from two houses with bathrooms, and besides, we're a family operation: We don't have employees. It didn't matter to them. Then they said we had to have twelve changing-lockers for employees -- even if we didn't have employees. See, this is bureaucracy in action. It has nothing to do with the quality of our meat.… A lot of it is being done under the guise of protecting the general welfare and guaranteeing clean food. But what it really does is protect big agribusiness from rural independent competition."*
>
> *- Joel Salatin, Virginia independent livestock producer*

The **Wholesome Meat Inspection Act of 1967** set standards for federally-inspected meat processing facilities. The act allows state-inspected facilities, which today are generally smaller and easier for producers to access than federally-inspected ones, to remain in operation only if they can meet standards "at least equal to" the federal standards in the act. But even if these standards are met, the act prohibits the movement of meat processed in state facilities across state lines for sale. Large meatpackers who can sell inter-state have lobbied heavily in favor of this provision. Professor Neil Hamilton of Drake University Law School made a concise case for a change to the law in his 1999 *Legal Guide to Direct Farm Marketing:* "Any change to allow interstate sales of state inspected products would increase the locally produced and processed meat products available in the retail market, especially in cities located on or near state borders."[12]

Meat processed in small, local custom-processing facilities, which are subject to a different set of standards, cannot be sold to restaurants, retail outlets, or directly to consumers except under a very limited set of circumstances. These operations are the easiest for producers to access, but offer them virtually no opportunity for economic gain because they cannot sell the butchered meat.

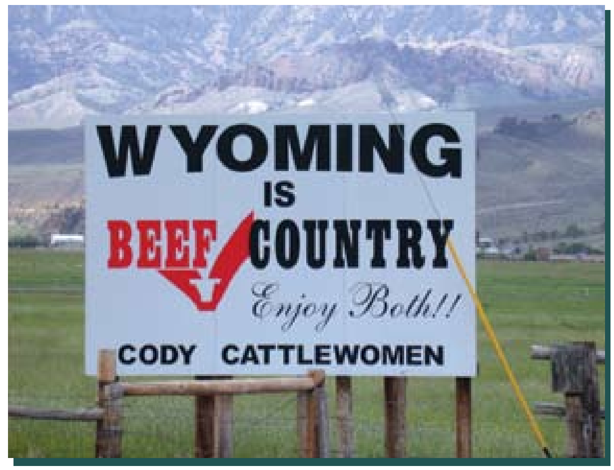
In 1996, federal food safety standards were made more stringent through the Hazard Analysis Critical Control Point (HACCP) program, which is geared toward reducing incidents of contamination from *E. coli, Salmonella,* and other pathogens in meatpacking plants. While no one argued that the prevention of food-borne illness was not important, many small meatpackers worried when the law was passed that the standards were written to address problems common to large-scale packing plants, where line speed and the sheer number of animals processed make contamination a much greater risk. In pork giant Smithfield's Tar Heel, NC packing plant, for example, workers process some 32,000 hogs per day—2,000 an hour, or about one hog every two seconds.[13] The technology required to meet the federal standards may be affordable (and relevant) to a plant this size, but not for a smaller facility processing 25 animals an hour.

The costs of complying with HACCP for smaller-scale packers have been extraordinarily high. In 2003, USDA's Economic Research Service estimated that the roughly 5,300 packers in operation in the United States at the time spent a combined total of $570 million to get their plants up to the new standard, and then $380 million a year to maintain the standards. Costs were equally distributed across different plant sizes, with smaller plants paying essentially the same costs as large ones. This burden was significantly greater than what the agency had estimated when the standards were first proposed.[14]

As a result of the above-mentioned federal policies and other factors, many small-scale meat processing and packing facilities have gone out of business. Between 1976 and 1996, the number of federally inspected beef processing plants fell by 50%, from 1,655 to 812, while the number of hog plants fell by almost 60%, from 1,322 to 770.[15]

The number of animals slaughtered in each large plant has risen dramatically. In the cattle industry, the number of cattle slaughtered per plant has increased by 82% since the 1970s.[16]

Of the plants still in operation, many of the larger ones process meat exclusively from producers with whom they hold contracts or source from their own captive supplies, excluding independent producers and leaving them with few options for marketing their animals. Depending on the state, independent producers may find they must drive hours to bring their animals to a facility that will accept them for processing.



There are no federally-inspected meat processing plants in Wyoming. As a result, under current law, non-Wyoming residents can only enjoy Wyoming beef if producers ship their animals to be processed in another state.

Working Conditions and Rural Economies Deteriorate

As meatpacking plants have become larger and more mechanized, their labor structure has changed, affecting both workers and the rural communities where their workers live. Large plants no longer employ skilled butchers, but are more likely to adopt technologies that allow them to run the plants at high speeds using the labor of low-skill workers. A decline in meatpacking wages has been accompanied by a decline of union presence in the sector.[17] The Smithfield plant in North Carolina mentioned above is the site of a twelve-year battle between management and workers over the formation of a union; to date, workers have not succeeded in unionizing in the plant and complain of threats, intimidation, and job termination when they attempt to organize.

High levels of mechanization make it possible for companies like Smithfield to process far more animals than they could otherwise. This system reduces their wage costs and increases profits—but high line speeds also increase the risk of accidents on the job and contamination of meat.

Moreover, evidence suggests that on par, the economies of rural communities have not benefited from the presence of these large packing plants. Research in Iowa finds that as meatpacking plants consolidate and take a larger share of a county's total employment, employment growth in other sectors declines, as does growth in local wage rates. The study suggests that lower wages offset any benefits from employment generation in the expanding packing plants, leading to decreased income growth overall in the community.[18]

The new labor structure of large packing plants and the lower wages they offer have brought an influx of immigrant workers to rural communities. Particularly if they are undocumented, these workers have much less power to report or affect inhumane working conditions and may be afraid to engage with unions, increasing the likelihood that they will be forced to work in unsafe conditions and be paid unfair wages.[19] The presence of immigrant workers can also lead to tension and conflict in the community. Long-time residents may blame the immigrant workers for driving down wages, instead of placing the blame on the companies that recruit these workers, pay them badly, subject them to unsafe working conditions, and drive locally-owned operations out of business.

This mid-sized meatpacking plant in Wisconsin employs skilled butchers and provides workers with a living wage and benefits. Such standards are rare in large meatpacking operations.

Strategies to Build a Better System: Policy, the Courts, and Good Old Creativity

The information above paints a dire picture of the state of meatpacking and processing in the United States. There is good news, though: all across the country, and in myriad ways, individuals and organizations are finding ways to make changes that have the potential to impact the entire food system for the better. Some of the changes are political, taking place on local, state, and federal levels. Some involve building processing alternatives to help smaller scale, independent livestock producers access markets. Regardless of the strategy, they are all creative, forward-looking, and critical.

Policy Change

One strategy to address shortfalls in federal legislation is to advocate for new laws at the state level. Several states have managed to pass **anti-price discrimination laws** to prevent meatpackers from giving preference to larger producers over small or mid-sized livestock operations. South Dakota, Minnesota, Nebraska and Missouri have all passed laws prohibiting packers from offering different prices to different producers based purely on the number of animals they are able to supply (though differential pricing based on meat quality is still permissible). Some of these laws have been challenged in court by meatpackers. The South Dakota law was overturned; the Missouri law was overturned and then reinstated.[20]

Market transparency laws requiring packers to publicly reveal the prices they pay for livestock were also passed in South Dakota, Iowa, Missouri, Minnesota and Nebraska. But these state laws have now been replaced by the 1999 federal law, the Livestock Mandatory Reporting Act—and as mentioned above, the LMRA has been strongly criticized for lax enforcement.

Fortunately, groups around the country are involved in efforts to strengthen enforcement of the LMRA and the PSA, the two federal laws that currently govern packer behavior in the marketplace. The Western Organization of Resource Councils (WORC), a coalition of groups in 6 Great Plains states working on agriculture and environmental issues, is one example of a group that has been active on these issues. WORC has pressured the USDA for several years to improve enforcement of the PSA and to prohibit cattle ownership by packers. Its petition was used as the basis for reform bills offered in 2003 and 2007. The National Campaign for Sustainable Agriculture and the Campaign for Contract Agriculture Reform are two other examples of active groups.

Local, state, and national organizations have also worked together to craft new laws. Several have been offered and even successfully passed by Congress, an impressive feat for citizens' groups given the corporate agribusiness interests that oppose the bills. But there is still much work to be done. Some of the notable current proposals are listed on the following page.

Proposals for Policy Change at the Federal Level

Note: Elements of these proposals were included in drafts of the 2007 Farm Bill, which had not been passed at the time this issue brief went to press.

Prohibition on Packer-Owned Livestock. The so-called "Packer Ban" would prohibit direct ownership of livestock by meatpackers, addressing some of the market distortions that emerge when a firm controls both the selling and buying sides of a market. Thanks to the efforts of national and state family farm organizations, the Packer Ban passed the U.S. Senate on two separate occasions in 2002. After intense pressure by packers, however, it failed in the House and was dropped from the 2002 Farm Bill. It was reintroduced in 2005 and '07.

Captive Supply Reform. Legislation would reform the rules governing contracts between packers and livestock producers to make the system more fair and transparent. It was introduced in 2005 by after advocacy by state and national groups and was introduced again in 2007 by an even larger group of senators. Supporters believe it will help counteract the power that packers hold when contract terms are negotiated in secret.

Fairness Standards for Agricultural Contracts is an initiative to enact a minimum set of standards that would govern livestock and other contracts. It would prohibit clauses that force producers to waive access to the courts if packers violate contract terms. It would also prohibit clauses that force producers to keep silent when they have concerns or questions about their contracts. Elements of this broader proposal were included in the Fair Contracts for Growers Act of 2007 and the Competitive and Fair Agricultural Markets Act of 2007.

Reciprocity of Inspection is a proposal supported by small farm groups to improve current livestock processing inspection regulations. It would allow state-inspected facilities that meet federal guidelines to ship meat across state lines; federal and state inspectors will honor each others' judgment so long as they conform to the same standards. This provision was included in the House's version of the 2007 Farm Bill.

Amendments to the Packers and Stockyards Act. Proposed changes include extending the authority of the act to cover poultry producers and contracts; currently, it only applies to other livestock sectors.

Using the Courts

Another way in which citizens' groups can be active in enforcing existing legislation is through **lawsuits.** Lawsuits, if successful, can push federal agencies toward better enforcement. Lawsuits can also help fill the holes left by weak federal regulation and provide producers with the compensation they deserve when they are manipulated by powerful meatpackers.

Lawsuits are not always successful, but they always bring attention to the issues. In one of the most famous livestock lawsuits, Pickett v. Tyson (2002 class action), a group of cattle producers brought charges against packing giant IBP (later acquired by Tyson) for price manipulation through captive supplies. The jury found that IBP/Tyson's use of captive supplies had an anticompetitive effect on the market and determined that the use of captive supplies had lowered the amount paid to the producers by $1.3 billion. Local advocates played supporting roles in this case, with 50 groups filing "friend of the court" briefs in support of the cattle producers. The case has since been overturned on appeal, but it generated energy that led to the proposal of new laws to outlaw captive supplies.[21]

A 1992 lawsuit by 300 Alabama and Florida poultry producers charged ConAgra with fraud and breach of contract after ConAgra employees were found incorrectly weighing delivery trucks of broilers for slaughter and underpaying growers as a result. The judge in the case awarded the broiler producers compensatory damages of $17 million.[22]

Alternative-Building Strategies

Individuals and organizations are actively involved in building a new and better food system—and this includes building the infrastructure necessary to help small- and mid-sized livestock producers participate in the market. Producers are banding together to invest in their own processing facilities; groups are pushing for state and federal funding to research and develop appropriate processing technology for small-scale producers; and they are lobbying for the passage of more reasonable laws governing processing by small operations.

Investing in alternative processing technologies. Perhaps the most well-known alternative system in development is the mobile slaughterhouse. These are self-contained units that include equipment for processing, refrigeration, and storage of the meat but can be moved from place to place, usually towed by a truck.

In Washington, producers in the Island Grown Farmers' Cooperative built the first USDA-certified mobile processing unit in the country. It cost $150,000 to build, compared to the minimum $400,000 the producers estimated would be needed to build a stationary facility. The mobile unit averages around 1,000 head processed per year. It drives directly to the farm, so animals do not suffer from stress during transport. In addition, because it is USDA-inspected, the meat can be sold to local retailers and transported across state lines. This arrangement gives local producers—roughly 45 in a 100-mile area—a much greater number of options for marketing and distributing their products.[23]

These kinds of alternative processing facilities have also been used as a tool to increase market

access for minority and limited-resource producers. In New Mexico, the Taos County Economic Development Corporation recently inaugurated their "Mobile Matanza" (Spanish for slaughter), which targets Latino, Native American, and female farmers and ranchers who lack the capital needed to access traditional slaughter facilities. While it is state rather than federally inspected, the group still anticipates that it will greatly increase the marketing options for these producers and contribute to long-term, socially equitable development in the community.[24]

Lobbying for improved federal regulations for small-scale processing facilities. Organizations such as New York state's Regional Farm and Food Project and the National Campaign for Sustainable Agriculture have proposed a number of changes to the laws governing livestock processing.[25] They support the creation of federal regulations specifically for mobile processing units; more money to train and certify food safety inspectors for mobile slaughterhouses, farmstead operations, and small-scale processing facilities; and new USDA regulations for on-farm meat processing. Current regulations are confusing for both producers and consumers, and reasonable and safe standards that respond to the circumstances of small producers are needed. These groups and others will continue their campaign. Find out how to join them below.

Resources: Learn More and Take Action!

Making Policy Change

- **The Sustainable Agriculture Coalition** has up-to-date information on federal policy proposals to improve the way we produce and process livestock and to make the market more fair for smaller-scale producers. www.sustainableagriculturecoalition.org.
- **The National Campaign for Sustainable Agriculture** will tell you how to get involved and can help connect you with groups in your area working on these issues. www.sustainableagriculture.net.
- **The New Rules Project** of the Institute for Local Self-Reliance has information on local, state, and federal initiatives to build a better food system. www.newrules.org/agri/index.html.
- **The Campaign for Contract Agriculture Reform** is another active coalition. http://www.rafiusa.org/programs/CONTRACTAG/CCAR.html.
- **The Organization for Competitive Markets** works on increasing competition in livestock and other areas. http://www.competitivemarkets.com/.

Linking up with producers and processors in your area

- **Sustainable Table** offers educational resources to learn about the issues, tools to help you take action to make the livestock system more sustainable, and an on-line directory to help you find meat from smaller-scale producers. www.sustainabletable.org.
- **Local Harvest** is an on-line searchable guide to local and sustainable food. www.localharvest.org.

REFERENCES

[1] Harper, C. L., and B.F. Le Beau (2002). Food, Society, and Environment, Prentice Hall
[2] Hendrickson, M. and W. Heffernan (2005). Concentration of Agricultural Markets. Columbia, MO, Department of Rural Sociology, University of Missouri
[3] Pittman, H. (2005). "Market concentration, horizontal consolidation, and vertical integration in hogs and cattle." Agricultural Law Update 22(8).
[4] Organization for Competitive Markets (2007). "Captive Supplies Caused Billions in 2006 Farm Losses." Press release, October 9.
[5] Ibid.
[6] Federal Trade Commission (1919). Report of the Federal Trade Commission on the Meat Packing Industry. Washington, D.C.
[7] Pittman (2005), op. cit.
[8] General Accounting Office (2000). Packers and Stockyards Programs: Actions Needed to Improve Investigations of Competitive Practices. Washington DC, GAO. See also: ILSR (2006). New Rules Project. Minneapolis, MN, Institute for Local Self-Reliance.
[9] National Campaign for Sustainable Agriculture (2007). Letter to the Senate Agriculture Committee on livestock and poultry issues in the 2007 Farm Bill. Available on-line at http://www.sustainableagriculture.net/CompConc2007.php
[10] ISLR, op. cit.; Ward, C. (2006). An Assessment of the Livestock Mandatory Reporting Act. Oklahoma Cooperative Extension Fact Sheets
[11] National Campaign for Sustainable Agriculture (2007). Letter to Chairmen and Ranking Members on competition and concentration issues in livestock markets. Available on-line at http://www.sustainableagriculture.net/CompConc2007_1.php
[12] Hamilton, N. D. (1999). Legal Guide to Direct Farm Marketing. Des Moines: Drake University Agricultural Law Center.
[13] Justice at Smithfield (2007). Smithfield Foods Profile. Available on-line at http://www.smithfieldjustice.com/aboutsmithfield.php#Main
[14] Ollinger, M., James MacDonald and Milton Madison (2000). Structural Change in U.S. Chicken and Turkey Slaughter. Washington, DC, USDA/ERS: 48; Levy, B. (2001). See also "State Inspectors Revive Local Markets." The Journal of the New Rules Project and Stull, D., and M.J.
Broadway (2004). Slaughterhouse Blues: The Meat and Poultry Industry in North America. Toronto, Wadsworth.
[15] Levy (2001), op,. cit
[16] Ward, C. E., and T.C. Schroeder (2001). Structural Changes in Cattle Feeding and Meat Packing, Oklahoma Cooperative Extension Service
[17] Krebs, A.V. (1992). The Corporate Reapers: The Book of Agribusiness. Essential Information.
[18] Artz, G., P. Orazem, and D. Otto (2005). Measuring the Impact of Meat Packing and Processing Facilities in the Nonmetropolitan Midwest: A Difference-in-Differences Approach. Department of Economics Working Paper Series. Ames, Iowa State University
[19] Huffman, W. E., and J.A. Miranowski (1997). Immigration, Meat-Packing, and Trade: Implications for Iowa. Ames, IA, Iowa State University; MacDonald, J. M., and M. E. Ollinger (2000). "Scale Economies and Consolidation in Hog Slaughter." American Journal of Agricultural Economics 82: 334-46
[20] ILSR (2006). New Rules Project. Minneapolis, MN, Institute for Local Self-Reliance. See also Krause, J. (2006). Mobile Meat Processing Plant Helps Small Producers. American Cowman and Krebs, A. V. (2000). The Agribusiness Examiner 60
[21] Pittman (2005), op. cit.
[22] Hamilton, N. D. (1995). "A Farmer's Legal Guide to Production Contracts." Farm Journal 174; Krebs (2000), op. cit.
[23] Krause (2006), op. cit.
[24] Taos County Economic Development Corporation (2005). Mobile Livestock Slaughter Unit. http://www.tcedc.org/Programs/MobileLivestockSlaughterUnit/tabid/858/Default.aspx
[25] Best, B. (2006). Food Safety Inspection Issues. New York, Farm and Food Project.