



To: National Beef Fed Cattle Suppliers
From: National Beef Packing
Date: updated January 2, 2018
Subject: Volatile Residue/Label Compliance and Judicious Use

Dear National Beef Fed Cattle Supplier

National Beef is committed to receiving live animals that produced in an environment that includes the humane treatment of the livestock from birth to processing and from suppliers that properly handle and administer animal health products. National Beef requires that all fed cattle suppliers monitor all animal health and nutrition protocols for compliance with USDA and FDA label regulatory requirements, application of, and withdrawal times for all residue related compounds and treatments. It is not only a violation of Federal Law to ship livestock to slaughter with illegal or volatile level of drug residues, but it is National Beef's and the producers best interest to ensure that each and every animal offered for sale and sent to processing is treated in a humane manner and is properly held for the full withdrawal time for each and every compound that is given.

National Beef expects that all live animal suppliers coordinate with their consulting veterinarian and nutritionist to ensure the proper use of and labeling requirements including withdrawal, dosage and duration of all pharmaceutical or feed additive used in the production of the live animal(s) you ship.

Attached you will find National Beef's Volatile Residue Policy and Procedure that covers our program and procedures for handling animals that are found to not meet the approved withdrawal time or found to fail USDA FSIS testing.

We appreciate your vigilance in this process to help ensure we provide the safest beef and beef products.

If you have any questions, please do not hesitate to contact myself or National Beef Technical Services.

Thank you.

Chad Barker
VP Cattle Procurement

Brenden McCullough
VP Technical Services



December, 2016

National Beef Volatile Residue Policy and Procedures

National Beef Packing Co. LLC is committed to providing consumers with safe wholesome beef products. This includes beef and beef products free of volatile residues. All cattle suppliers to National Beef are required to have an annually updated signed Livestock Owner Certificate (commonly referred to as “BSE form”) on file at National Beef prior to selling and shipping any livestock to a National Beef processing facility.

National Beef fully cooperates with USDA/FSIS in its volatile residue surveillance and testing process. Any seller whose cattle test positive for volatile residue will be contacted by National Beef and subject to the procedures listed below.

All livestock sellers are responsible for any claims resulting from volatile residues or other adulterant pertaining to carcasses shipped to National Beef by the seller even if determined post hot scale or point of transfer. National Beef will notify, document and provide seller a detailed list of all claims related to a volatile residue discovery. Should the seller become listed on the FSIS Repeat Violators List, National Beef is not obligated to accept cattle from the seller. Additional details included in the procedures below.

Volatile Residue Discovery and Notification Process

The following procedures address the volatile residue discovery process at National Beef.

There are 2 basic volatile residue discovery processes:

- 1: USDA discovers volatile residue during in plant testing
- 2: Producer contacts plant indicating that he believes he has shipped an animal with volatile residue or it was discovered in a different process that an animal was shipped with a volatile residue

Process #1

At National Beef, cattle identified by USDA for testing are completely segregated from entering the food chain until released by USDA. Individual cattle are normally identified by USDA prior to evisceration. For any animal identified by USDA for residue testing all variety meats and offal are sent to inedible rendering. Carcass is railed off, tagged and locked out until USDA receives confirmation of either a positive or negative result from the regional test lab. Upon receipt of results the following occurs: Negative – carcass is allowed to enter commerce relative to its condition and time since slaughter as long as the USDA release time is within acceptable carcass age requirements. Positive – seller is identified and contacted of positive results and carcass is rendered and not allowed to enter food supply. National Beef will determine if an on-site audit of seller’s location and management procedures are required. Seller is put on notice of positive results and should expect increased surveillance by both National Beef and USDA. Should a seller ship a 2nd positive test animal, the seller is immediately delisted by National Beef, contacted by FDA and name will be posted on USDA volatile residue shipper website for a minimum of 12 months from date of initial positive.



In a positive discovery for a carcass identified prior to evisceration, the seller is responsible for the value of the lost carcass if paid for by National Beef.

Process #2

If there is a volatile animal found (i.e. one that did not go through the proper withdrawal or was administered a pharmaceutical or feed additive incorrectly or off label) the feed yard is responsible for any negative impact at the receiving plant. If caught before slaughter the animal(s) are penned, feed yard notified and in consultation with plant veterinarian returned to shipper's location at seller's expense. If animal(s) are in slaughter, all offal tied to that animal(s) plus any commingled with those animal(s) are sent to inedible rendering at seller's expense. All positive carcasses are sent to inedible rendering at seller's expense. If cattle are fabricated, then all products from volatile carcass(s) plus any commingled product parts will be captured or recalled at seller's expense. The total volume depends on many factors but the amount would have to be satisfactory to USDA. Key is where in the process the animal/carcasses were when the finding occurred. Any additional costs associated with finding and disposing of product is at the seller's expense.

If you have any question, please call Cattle Procurement or your fed cattle buyer.

National Beef appreciates your business and your ongoing vigilance in helping ensure the safest beef and beef products.