



TOGETHER
WE CAN
SOLVE
HUNGER

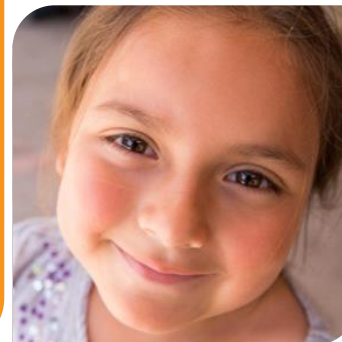
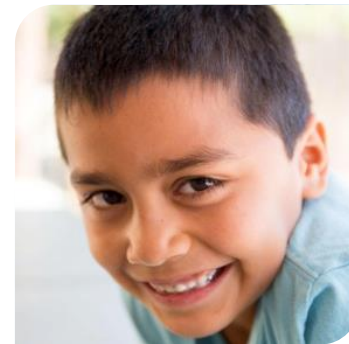
NAMI
NORTH AMERICAN
MEAT INSTITUTE

FEEDING
AMERICA

Thank you!

2015 Association Donations
*19 million pounds
chicken, beef, Pork, Turkey, other meats*

25 year partnership
over 200 million pounds valuable protein



Meat & Poultry Industry Priorities..... Feeding America supports each one.



Business Economics

Environment

Food safety/inspection

Health & Wellness



Enhanced tax benefits

Reduce landfill of wholesome food

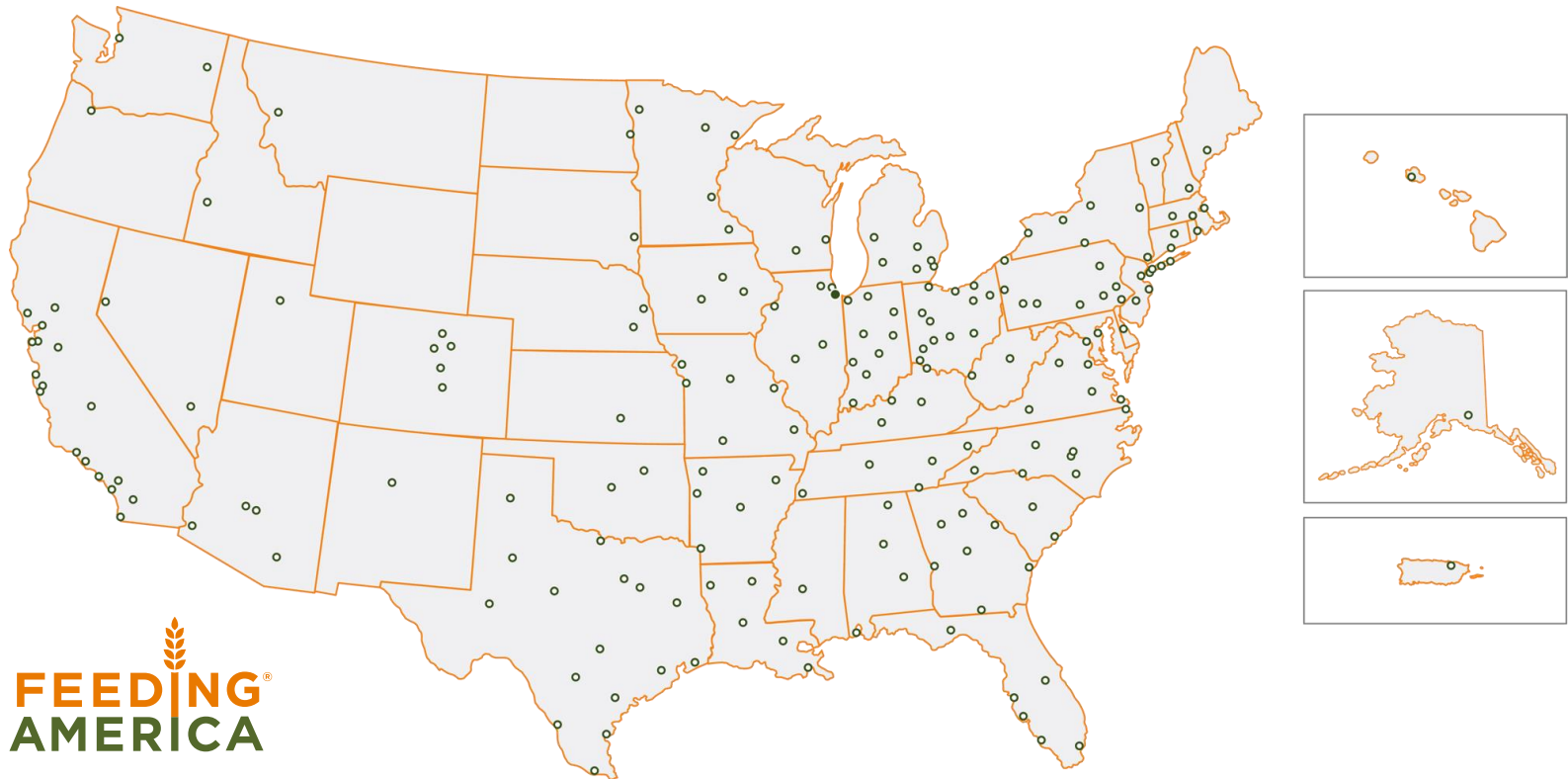
AIB audits

**68% of FY15 donations were
"Foods To Encourage"**

**Donation provides triple
bottom line benefits for
unsellable food**



The Feeding America Network Serves Virtually Every Community



The Feeding America Network



Ensuring the Highest Standards of Food Safety



Feeding America has implemented standards and practices so the people we serve and our donors can rest assured that every Feeding America meal is of the highest quality.

Food Safety Audits

Food safety inspectors assess food bank policies, procedures and facilities



Food Safety Grants

Feeding America provides grants so food banks can make necessary improvements



Food Safety Crisis Communication Plan and Manual

The Feeding America network is prepared to handle a food-related emergency quickly and efficiently



4.2 Billion pounds of food sourced and distributed FY15
2.6 Billion pounds would have otherwise gone to waste

Farming



Agri-processing



Manufacturers Distributors



Retail Grocers

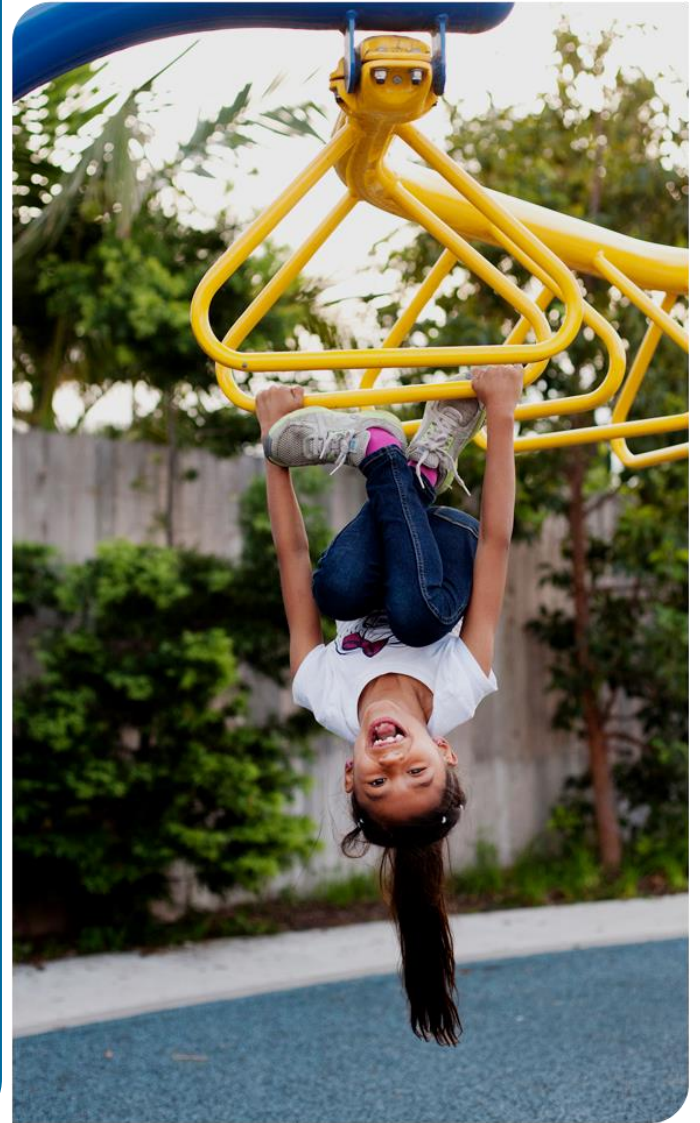


Food Service



*Assumes 100% of food from manufacturers and retail, 50% of produce stream would otherwise not feed people; excludes purchased and federal commodities

2015 PATH ACT: enhancing tax benefits for donation



Executive Summary

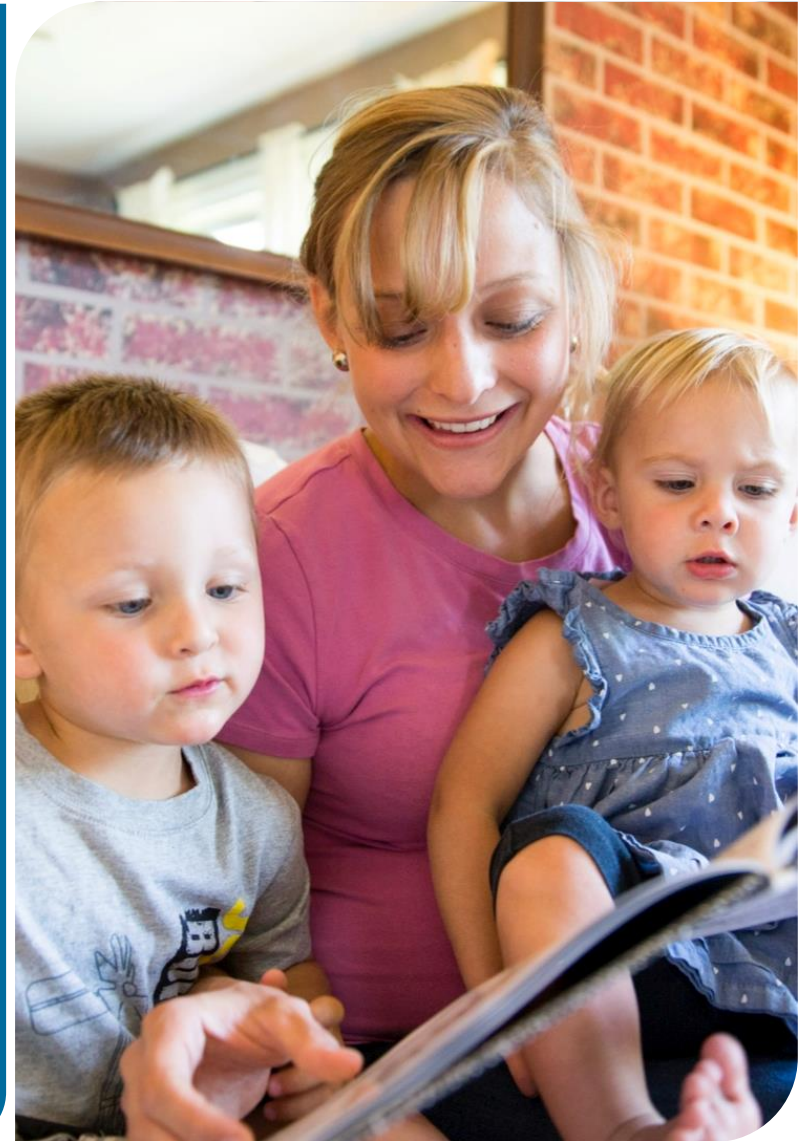


Key Concept	2005 – 2015	2016 →
Calculation of the enhanced deduction	ATB (defined below) of the food plus one-half of the difference between FMV (defined below) and the ATB; but the total deduction may not exceed twice the ATB of the food.	No change.
Limitation on the enhanced deduction for charitable contributions of food	For C corporations, may not exceed 10% of taxable income. For taxpayers other than a C corporation, may not exceed 10% of aggregate net income.	For C corporations, may not exceed 15% of taxable income. For taxpayers other than a C corporation, may not exceed 15% of aggregate net income
Fair Market Value ("FMV")	The price that the taxpayer would have received if the food was sold in the usual market. No guidance for determining the FMV of food not sold in the usual market.	The price that the taxpayer would have received if the food was sold in the usual market. For food which is not sold by the taxpayer due to internal standards, the price at which the same or substantially the same food is sold by the taxpayer at the time of the charitable contribution or in the recent past.
Adjusted Tax Basis ("ATB")	The inventoriable carrying cost of the donated food at the time of the charitable contribution. No guidance for cash basis taxpayers, those that do not account for inventories, or off-spec food that does not receive an allocation of carrying costs under the inventory method used by taxpayer.	The inventoriable carrying cost of the donated food at the time of the charitable contribution. If the taxpayer does not account for inventories and is not required to capitalize indirect costs to the food, the taxpayer may elect to treat the ATB of donated food as 25% of the FMV.



FSIS DIRECTIVE 7020.1

VERIFYING DONATION OF MISBRANDED
AND ECONOMICALLY ADULTERATED MEAT
AND POULTRY PRODUCTS



Labeling Guidelines for Donation

- Addresses “economically altered/misbranded meats”.
- Can be donated “as is” without applying for temporary label approval and without “Not for Sale” statement on each package.
- Temporary label approval and “Not for Sale” package statement ARE NEEDED if product ingredients include allergens: wheat, fish and shellfish, eggs, peanuts, dairy, tree nuts, or soybeans.
- Meat processed in the U.S. and packed in foreign language packaging for export CAN BE donated.
- Questions from local inspection program personnel can be addressed directly to FSIS Policy Staff.

Enacted on January 26, 2016.

Directive is same as FSIS Notice 63-14 (in effect 11/6/14).



25 year partnership

Learnings for mutual
benefit





What we've learned from working together...

- Industry encourages support of “hunger”.
- “Helping Hungry Homes”, “Meals that Matter”, “Know Hunger”, “Cargill Cares”
- Plant/distribution center determines who to support.
- Who decides? Supply Chain/Inventory Manager, HR, Employee Committee, Complex Manager.
- Separate community relations budget for local event support.
- Committed to support of local communities. Visibility?
- Food Banks and Food Pantries. What’s the difference?
- “No wholesome protein is ever landfilled”.
- Tax benefits v. landfill expense.
- Rural hunger challenges. Why it’s important to your company.

Mobile Pantries: How Protein is Distributed in Rural America

Product Donation-Employee Engagement- Visible Community Support



Local Partnership Strategy



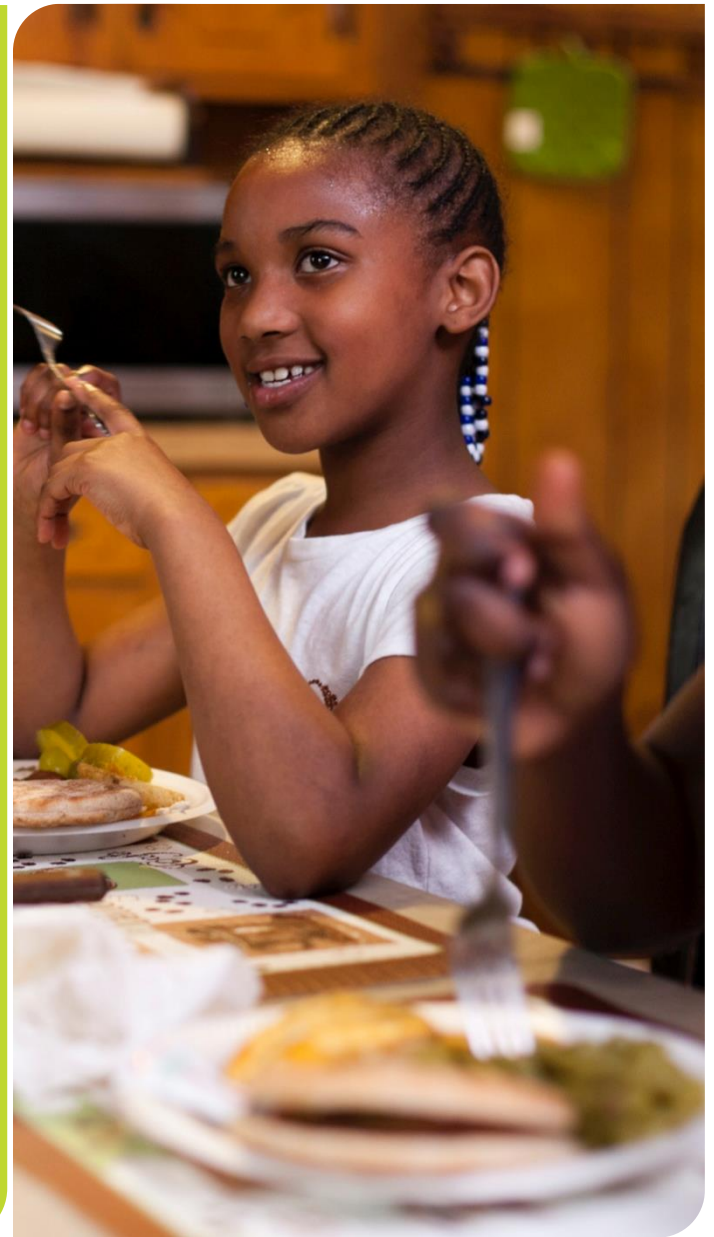
- What does the plant produce? Can your food bank safely “handle” those kinds of meats?
- What agencies in the plant community (counties, towns, etc.) are members of the food bank?
- Could future donations support BOTH any existing charities and other food bank agencies?
- KEY QUESTION: “What is being landfilled now”?
- Gauge their interest in community support visibility, employee engagement, reducing landfill of wholesome food, mobile pantry sponsorship. How can your food bank help them achieve these goals?
- Do they understand the enhanced 2016 tax benefits?
- Do they know about FSIS regulations related to what they can donate?

What’s your story?

“If you donate X pounds of protein each week,
our food bank can feed X number of people in your plant community”!

Donation Opportunities

- Off-Spec and unfinished goods
- Wholesome line rescue product or 'trim'
- Product reformulation
- Test kitchen / Pilot run product
- Quality hold samples
- Discontinued Items
- Ingredients
- Bulk product of any source in totes
- Short-code product
- Customer returns
- Private label/Co-packed product
- Mis-labeled/ & Unlabeled items





Thank you!



Contact information

Karen Hanner

Managing Director, Manufacturing
Product Sourcing

312-641-5365

khanner@feedingamerica.org

Randy Starck

Senior Account Manager, Protein
Specialist

312-641-6513

rstarck@feedingamerica.org

