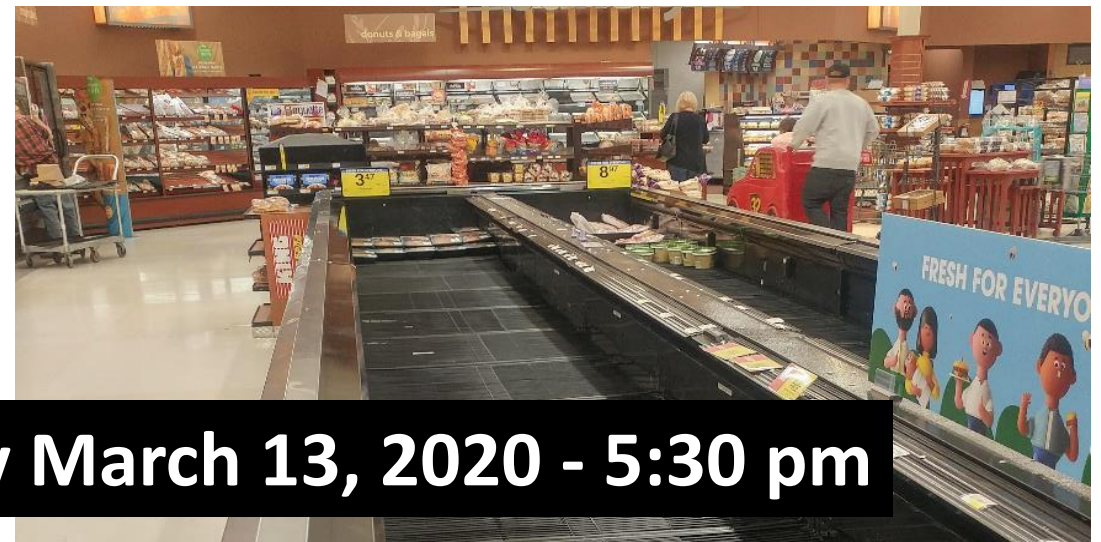


A Picture of Food System Success and Failure

Local Supply Chain - Ranch Foods Direct

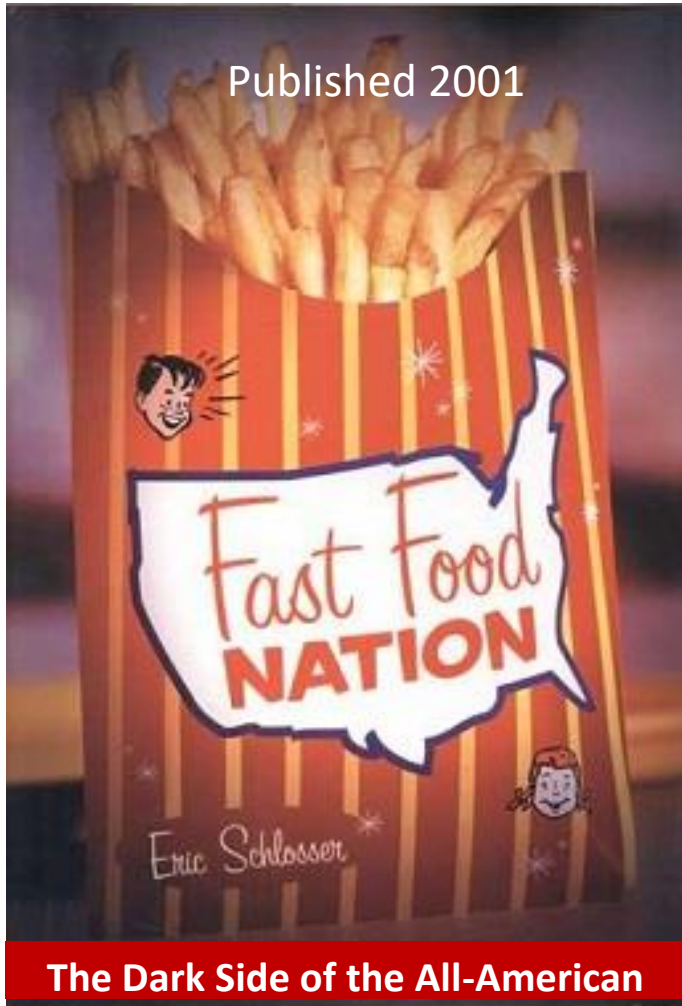


Global Supply Chain - Kroger



Colorado Springs - Saturday March 13, 2020 - 5:30 pm

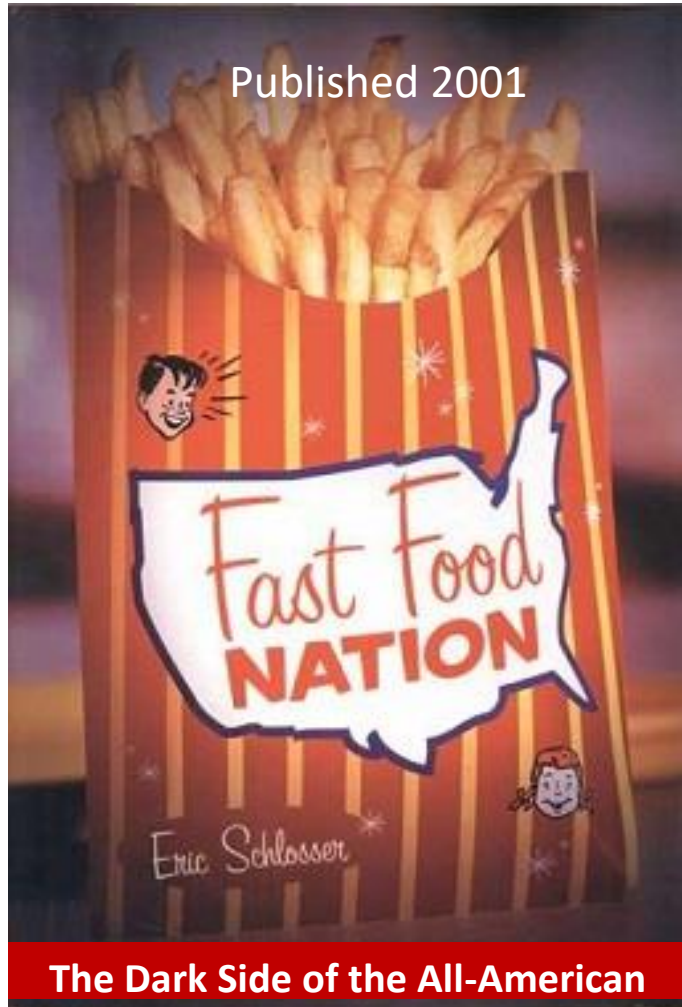
Elements of food system failure?



Schlosser agreed, it was worse in 2021.

- **1980s Reagan administration promoted no-rules deregulation policy - “Get big or get out.”**
- **Agency capture - Big business took control of regulators**
- **USDA and Land Grant institutions embraced industrial ag, declaring agriculture a business, not a way of life**
- **Stewardship was lost to extraction/mining mentality**
- **Animal science replaced high-welfare animal husbandry, moving sows to crates, and hens to battery cages**
- **Processing sector consolidated to match power of national distribution and retail, blocking market access and eliminating smaller processors and jobs for skilled workers**

Elements of food system failure ... cont.



Schlosser agreed, it was worse in 2021.

- Meat tradesmen lost jobs to unskilled, low-wage, easily exploited, and subsidized workforce
- Food quality was sacrificed for quantity and price
- Big retail, food management and food service companies developed anticompetitive and exclusive kickback schemes (aka bribery and extortion)
- Diverse, resilient family farms and local/regional food infrastructure were lost to industrialization and financialization – Return to Empire (landlord/tenant)
- Producer organizations and media were captured and controlled as producer share of food dollar declined
- **Result: Rural decline, increased poverty, environmental degradation, poor health, and food insecurity**



Question – Why don't you enforce the Packers and Stockyards Act?

“Well you know Mike, in this modern day of globalization, we need big companies that can do business globally.”

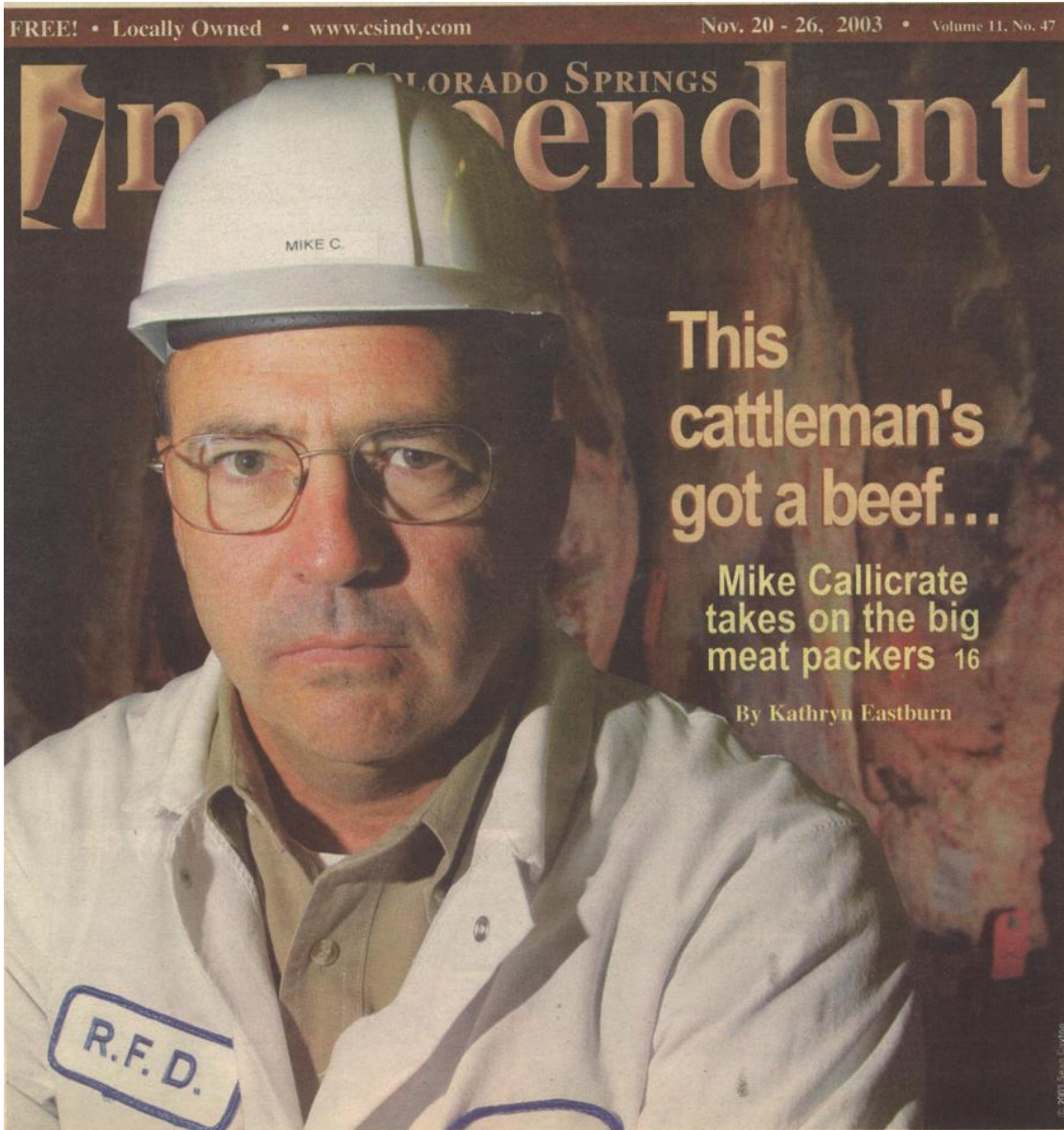
- January 1999

Dan Glickman, Secretary of Agriculture 1995-2001



**“You should be suing
Walmart [instead of IBP],
they are the problem. They
tell us what they will pay
and we have no choice but
to pay you less.”**

– John Tyson 2001



Alabama Jury Rules for Cattle Producers in Landmark Competition Case

February 17, 2004 - Today the jury awarded \$1.28 billion to the cattlemen suing Tyson/IBP for using captive supplies to negatively manipulate live cattle prices.

April 23, 2004 - Judge Lyle E. Strom [Reagan appointee] overturned the verdict and ordered Cattlemen to pay Tyson court costs

March 27, 2006 - Supreme Court Denies Appeal in Tyson/IBP Case - Giving green light to anticompetitive practices and abusive market power.



Mike Callicrate, Occupy Wall Street 2011

“The money and political power of Wall Street has stolen America’s food system, bankrupted our farmers and ranchers, mined our soils, polluted our environment, wasted our precious water, and left us with expensive industrially produced food that makes us sick.” – Occupy Wall Street Food Day, December 2011

It really is about the price ...

“Food with integrity”



2010 – Chipotle served Callicrate Beef in twenty-three locations.

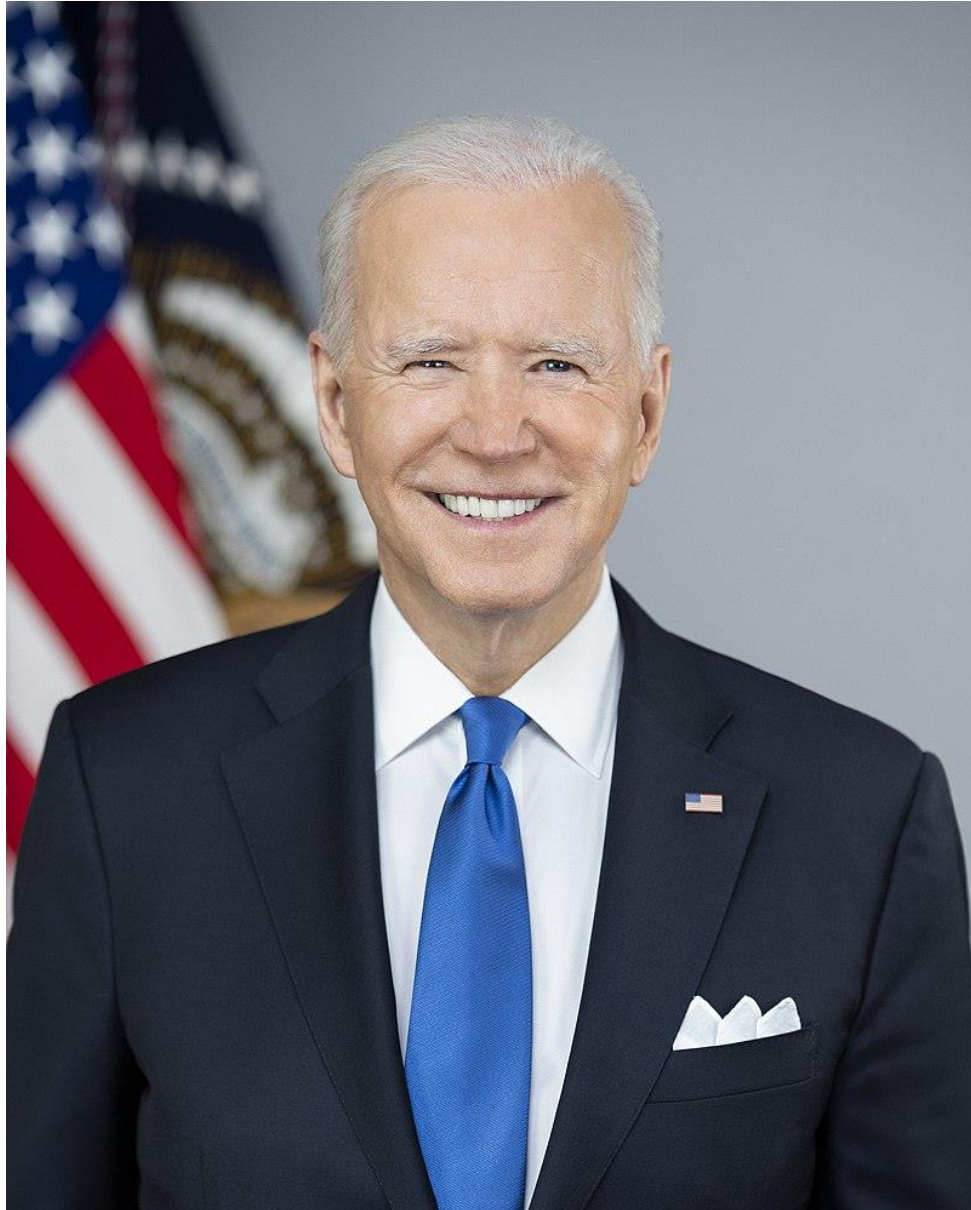
2013 – Chipotle replaced Callicrate Beef with cheaper, lower quality, below-cost-of-production, Australian beef from global supplier, OSI.

“Good Food Project”



2012 – Sodexo was replaced with the self-managed, cook-from-scratch, Good Food Project model at District 11. Four other Colorado school districts followed.

2015 – After saving around \$900,000/year buying local and improving kids meals, D11 returned to below-cost-of-production commodity meat. **“We're here to educate kids, not feed them,”** said Glenn Gustafason, D11 Administrator.



Biden Executive Order - July 9th, 2021

Dear Mr. President,

Without fair market access and the following reforms, pouring resources into new and existing food processing and distribution infrastructure is a waste of time and money.

We must first:

- **Strengthen antitrust law enforcement** – Break up abusive monopoly power.
- **Truth in labeling** – Stop the food fraud - eliminate false, misleading, and deceptive marketing.
- **Subsidies** – Stop subsidizing industrial ag.
- **Meat inspection** – Stop favoring large corporate plants over small processors.
- **Government purchasing** – Show preference for sustainable and resilient local/regional suppliers.

Rebuilding Local/Regional Food Systems

For health, sustainability, resilience, and security ...

“Begin with the end in mind.”

February 2023

MikeCallicrate.com



Chico Basin Ranch, Colorado Springs

How do we build a new, fully transparent, fair economy around food - a marketplace that connects producers and consumers, ensuring workers, rural communities, small businesses, and main streets aren't left behind?

Where do we start in building a new economy that meets the needs of people and our planet instead of the demands of Wall Street, private equity, and offshore banking centers?

CURRENT U.S. FOOD SYSTEM

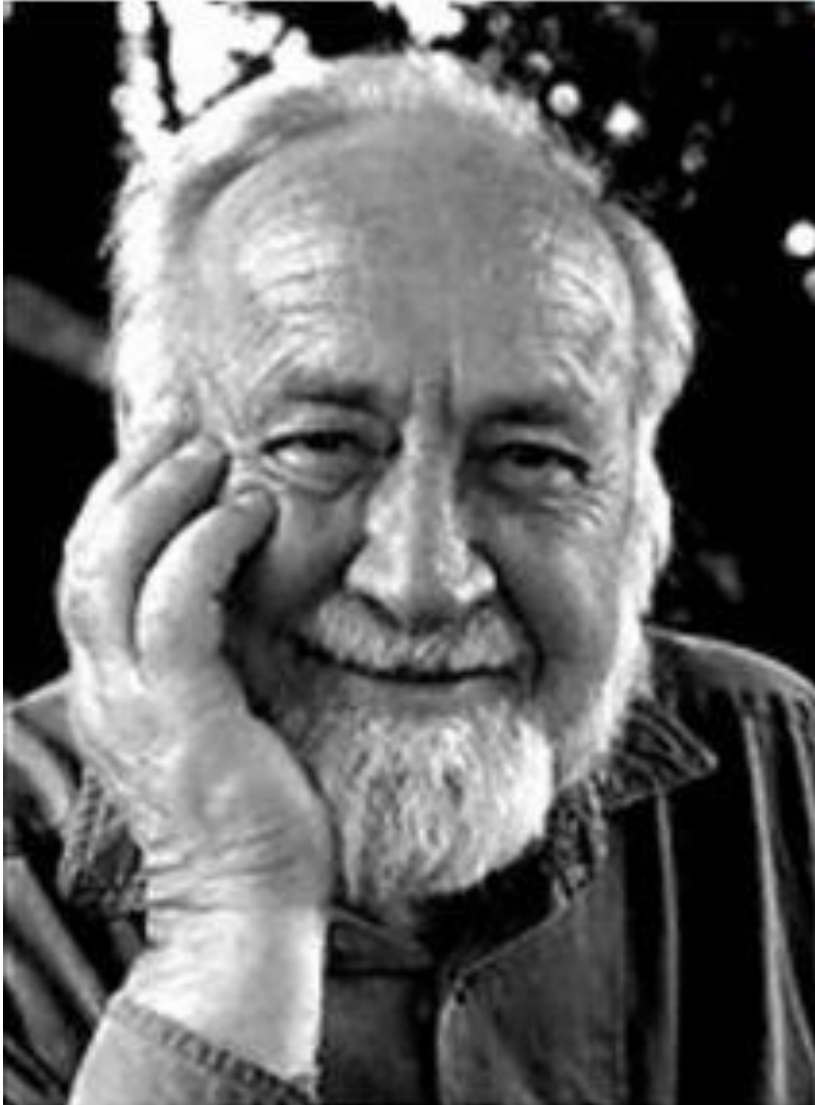
Eaters



Point of failure

BIG FOOD corporations

Farmers and Ranchers



Though the problems of the world are increasingly complex, the solutions remain embarrassingly simple. – Bill Mollison

Developed theory and practice of permaculture

THE RANCH FOODS DIRECT SOLUTION



**Producers are looking for a safe and profitable pathway to consumers.
Consumers are looking for a healthy, safe, dependable food supply.**

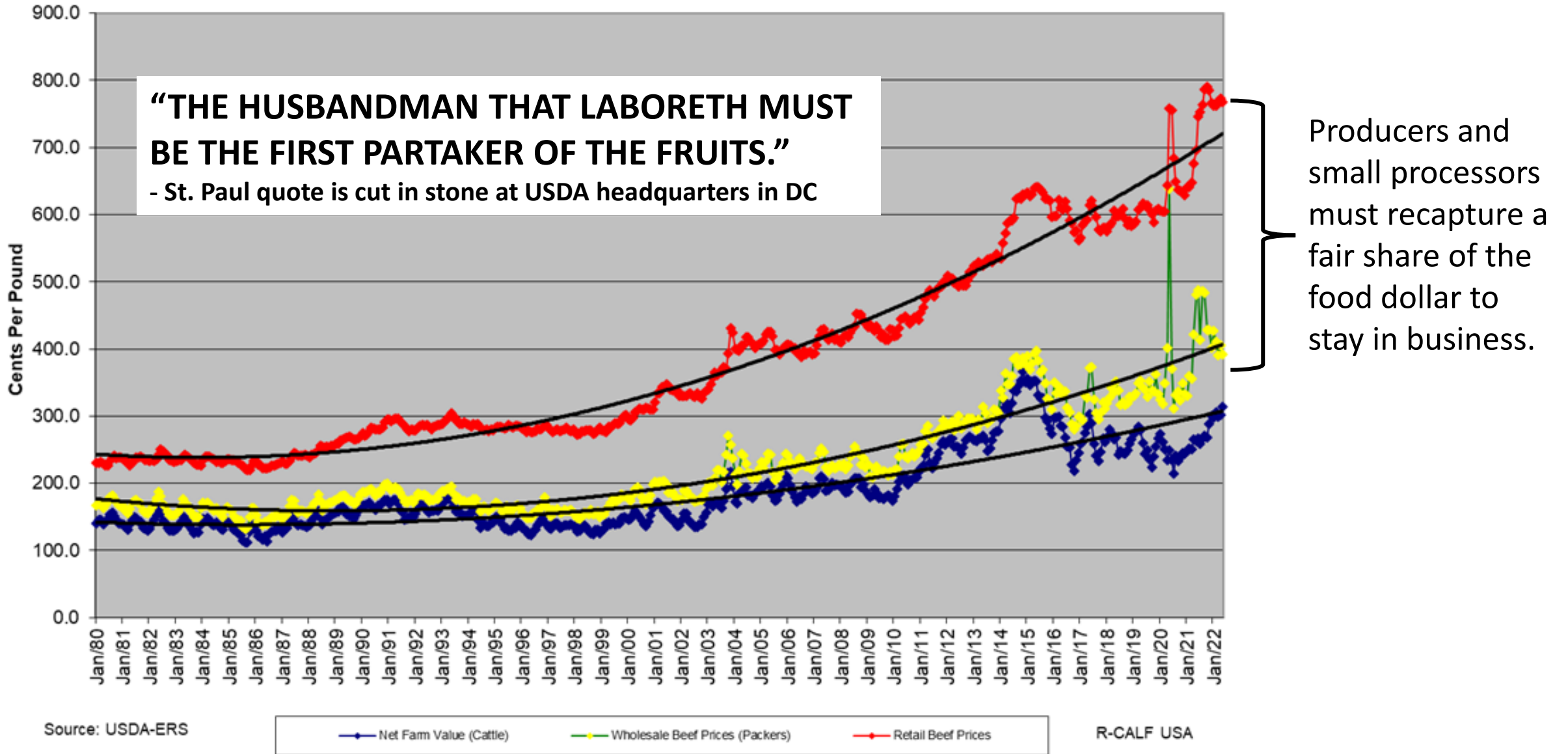


“... we must adopt the measures needed for bringing together the producers and consumers of food and wool, and thus augmenting their power to have commerce among themselves.”

– Henry C. Carey 1853, advisor to President Lincoln

The Lincoln administration established the United States Department of Agriculture along with Land-Grant Colleges to develop agriculture and assure our ability to feed ourselves.

Middlemen have stolen the producer and worker share of the food dollar.



Retail Beef Prices vs Wholesale Prices vs Net farm value Jan 1980 – May 2022

FROM THE CREATOR OF LEXICON OF SUSTAINABILITY AND THE FOUNDER OF PROJECT LOCALIZE



Jan and Kelly Under
Yates Family Farm
Destinwood (just east of Boone), NC
3 July 2011

LOCAL

THE NEW FACE OF FOOD AND FARMING IN AMERICA

DOUGLAS GAYETON

of responsibility for those who will come after us. By adding the witness of the past we can find the road forward, not for the future people
conducts of mechanical innovations, "horse power" is still the symbolic standard against which all future mechanical or otherwise) are measured.
I ASK IAN, "WHY HORSES?" HE SAYS, "THIS CHOICE IS NOT A NOSTALGIC ONE, OR ONE MOTIVATED BY OBSTINATE ANTI-ESTABLISHMENT SENTIMENT.
get us, possibly, it is not a requirement of our religion. It is, however, a deeply spiritual decision, one motivated by deep ecological and a sense

A new food system must avoid financialization, eliminate excessive executive compensation, unrealistic shareholder returns, and see a fair share of the food dollar returned to producers, workers, and rural communities.

Return on investment should be measured by the level of prosperity in rural America, resource conservation, regeneration of land and communities, and availability of food that doesn't make us sick.

Downsize, Diversify, and Sell Direct

How to feed people instead of corporations



“Having a direct connection from ranch to retail proved its worth during the coronavirus pandemic.”

Getting out of the **BOX**

Most people have probably heard the term “boxed beef.” But what exactly is it? And why is it important? In Christopher Leonard’s sweeping history of the modern meat industry, *The Meat Racket*, he explains how a company called Iowa Beef Packers implemented the idea of boxed beef in the 1960s and 70s. Rather than send beef carcasses to stores to be cut up by skilled butchers, the large meatpacking company began breaking down carcasses on their own factory floor and sending them out trimmed and cut into big pieces (or primals.) Unfortunately that change had many negative implications, according to Ranch Foods Direct owner Mike Callicrate. For one, it made skilled butchers and customized meat cuts largely a thing of the past. “They sold it as a way for big retailers to save on labor costs, but in the end they had to illegally bribe the grocery store execs and union officials to force them into de-skilling their industry in that way.” It also hurt traceability: now the meat was coming from very large plants processing thousands of animals a day with no way to know where it originated. Food safety was another issue.



At Callicrate Cattle Co, livestock are slaughtered right on site, which minimizes stress on the animals.

The fresh carcasses are then delivered to Ranch Foods Direct in Colorado Springs for further processing. Direct ranch-to-retail.

Traditionally dry-aging carcasses for six days was considered an effective intervention step to control the growth of pathogens. In the name of speed and volume however, big packing plants were now cramming beef into boxes within 36 hours. Soon, the packers added massive cooking operations as a way to make potentially contaminated beef saleable.

The rise of boxed beef explains in part why whole animal butcher shops like Ranch Foods Direct are so rare. Most butchers of any size and scale are dependent on receiving boxed beef from the big packers. To offer meat directly from one specific ranch, a shop like Ranch Foods Direct must slaughter, process, package and sell all parts of the animal, not just the steaks. But having a direct connection from ranch to retail proved its worth during the coronavirus pandemic. There are many benefits for workers and consumers. Whole animal butchering creates opportunities for craft butchers to do creative and

varied work rather than making the same cut over and over on an assembly line in a big plant. The resulting meat comes in a much wider variety of hard-to-find cuts, including nutritious organ meats. And proper aging imparts tenderness and flavor that elevates every cut.

We believe the ideal farm is family owned and operated, diversified and livestock-centered, responsibly grazing and feeding the farm's production, with animal manure going back to the land.

CALLICRATE
CATTLE CO.



A more direct route for producers to connect with consumers wanting to know where their food comes from ...

Slaughtering animals where they are is more humane, efficient, and improves meat quality.

**CALLICRATE
CATTLE CO**

In 2021 the mobile slaughter unit was replaced with a low-cost and efficient slaughter floor.



**CALLICRATE
CATTLE CO**

Mobile unit is part of new meat curriculum at Havre, Montana

April 25, 2021 – Final transition to a 30 head per day beef, and other species, slaughter facility with a cooler capacity of 70 head of beef carcasses



Delivering carcasses directly to retail meat markets cuts out the boxed-beef cartel.

Building new local/regional community-based food infrastructure

Improving food security, sustainability, resiliency, and worker/animal welfare



- The modular design provides affordable and efficient multispecies slaughter near where animals are raised.
- Carcasses are processed on site and/or shipped to population centers for further processing and distribution.
- Permanent concrete floor and wall design provides for easy cleaning and rail heights to accommodate large mature animals.



Two hundred miles and 3½ hours later, a truck delivers carcasses, eggs and other food items from the region to the Colorado Springs food hub.



Connecting consumers with local/regional food producers since 2000



Building Community Around Local Food



The market feeds the city. Owner-operated businesses process and package foods from the region, from meats to grains to seasonal produce. A brewery using local grains and hops. Many other prepared food makers sell directly to eaters and eateries - seasonal markets outflow from the primary market, welcoming producers and growers from urban to rural. This energy-filled year-round market is where community happens – a gathering place for residents and visitors.

We propose building more direct farm/ranch-to-consumer connections in collaboration with local food enterprises. Each business owns its place, avoiding rent and the risk of dealing with landlords.



A Food Makers Collective - Building Healthy Communities Around Local Food.

For bread, pastry, beer, whiskey, meat pies, and pasta, a miller provides clean and healthy ingredients from locally produced grains.





The synergy of co-located, like-minded businesses affords better wholesale and retail opportunities.

The fully transparent marketplace is a community venue for activities including education, year-round and seasonal markets, music, art, and entertainment for all ages.



Meats from the region are featured, including high quality, properly aged beef, cut directly from hanging carcasses.



Businesses own and control their physical structure, plus a share of the common area. Dollars formerly paid to rent, go towards paying a mortgage, earning equity for retirement and opportunity for the next generation.

Pride of ownership shows

... from food and beverage quality to customer service



Start the day with breakfast at the café or bakery, including great coffee from the onsite roaster. Lunch and dinner fare include burgers, tacos, meat pies, steaks, and many other food and beverage choices, inside, outside, and rooftop.



The marketplace is where life happens – fun and convenient for locals, and exciting destination for visitors.