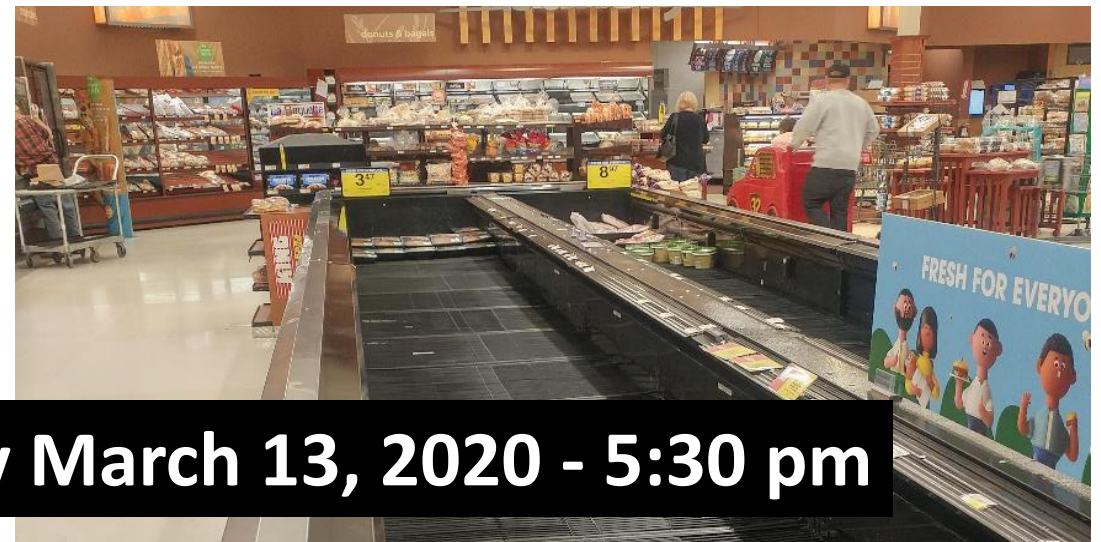


# A Picture of Food System Success and Failure

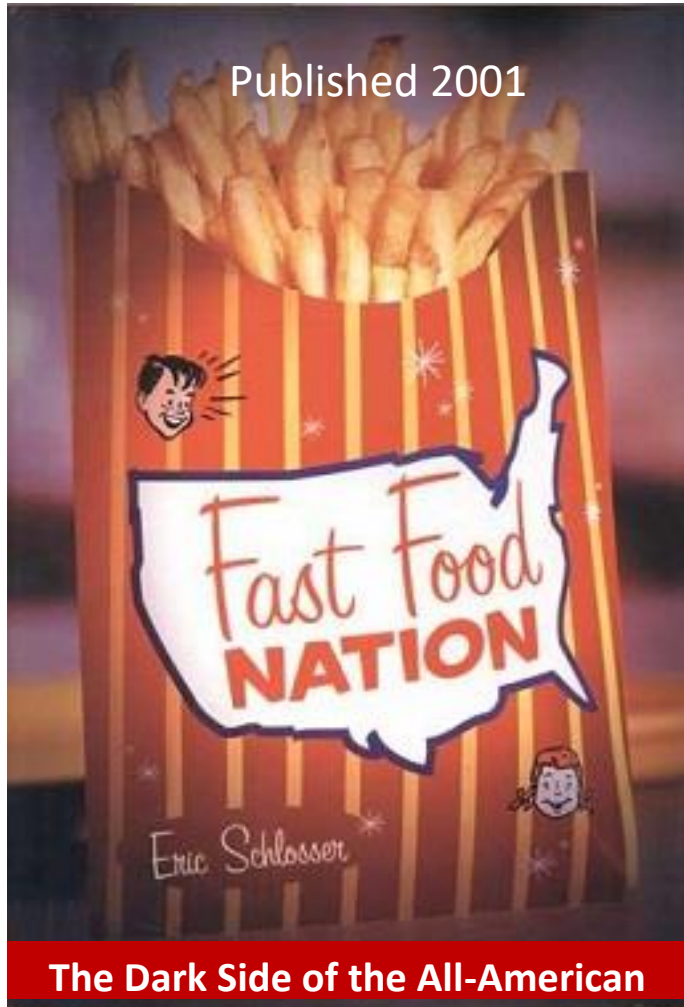
Local Supply Chain - Ranch Foods Direct



Global Supply Chain - Kroger



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

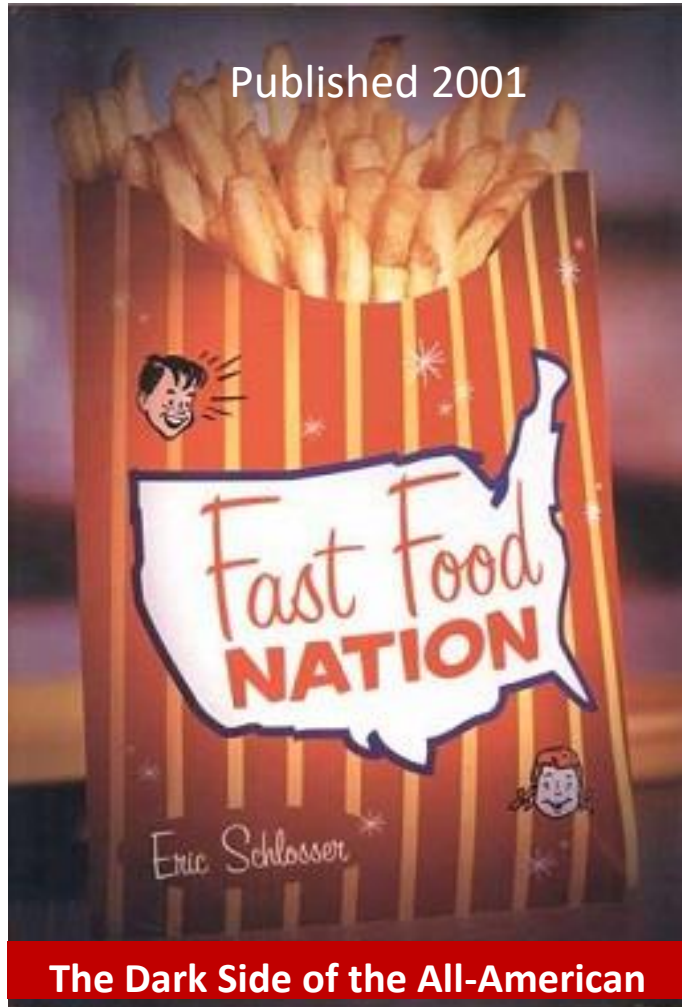


Schlosser agreed, it was worse in 2021.

## Elements of food system failure?

- **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**

# The Farmer's Share

Did you know that farmers and ranchers receive only 14.3\* cents of every food dollar that consumers spend? According to the USDA, off-farm costs, including marketing, processing, wholesaling, distribution and retailing, account for more than 80 cents of every food dollar spent in the United States.

# Farmers receive 14.3 cents of every dollar consumers spend.

<p><b>Bacon</b> 1 lb.</p>  <p>Retail: \$9.49 Farmer: \$0.92</p>	<p><b>Top Sirloin Steak</b> 1 lb.</p>  <p>Retail: \$14.99 Farmer: \$3.06</p>	<p><b>Bread</b> Wheat Loaf</p>  <p>Retail: \$4.99 Farmer: \$0.12</p>	<p><b>Fresh Carrots</b> 5 lbs.</p>  <p>Retail: \$4.99 Farmer: \$3.27</p>	<p><b>Beer</b> 12-pack cans</p>  <p>Retail: \$14.99 Farmer: \$0.06</p>
<p><b>Corn Cereal</b> 18 oz. box</p>  <p>Retail: \$3.99 Farmer: \$0.05</p>	<p><b>Tomatoes</b> 1 lb.</p>  <p>Retail: \$3.99 Farmer: \$0.73</p>	<p><b>Eggs</b> 1 dozen</p>  <p>Retail: \$5.99 Farmer: \$3.21</p>	<p><b>Flour</b> All Purpose, 5 lbs.</p>  <p>Retail: \$6.79 Farmer: \$0.44</p>	<p><b>Boneless Ham</b> 1 lb.</p>  <p>Retail: \$15.98 Farmer: \$0.92</p>
<p><b>Lettuce</b> 1 lb.</p>  <p>Retail: \$2.99 Farmer: \$0.25</p>	<p><b>Milk</b> 1 gallon, fat free</p>  <p>Retail: \$5.99 Farmer: \$2.03</p>	<p><b>Fresh Apples</b> 1 lb.</p>  <p>Retail: \$1.50 Farmer: \$0.64</p>	<p><b>Fresh Potatoes</b> Russet, 5 lbs.</p>  <p>Retail: \$4.99 Farmer: \$1.10</p>	<p><b>Soda</b> 2 liters</p>  <p>Retail: \$1.99 Farmer: \$0.05</p>

Farmer's share derived from USDA, NASS "Agricultural Prices," 2024. | Prices based on September 2024 data.  
Retail prices based on Safeway (SE) brand except where noted. | \*Figure according to U.S. Department of Agriculture Economic Research Service

October 2024





**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.”**

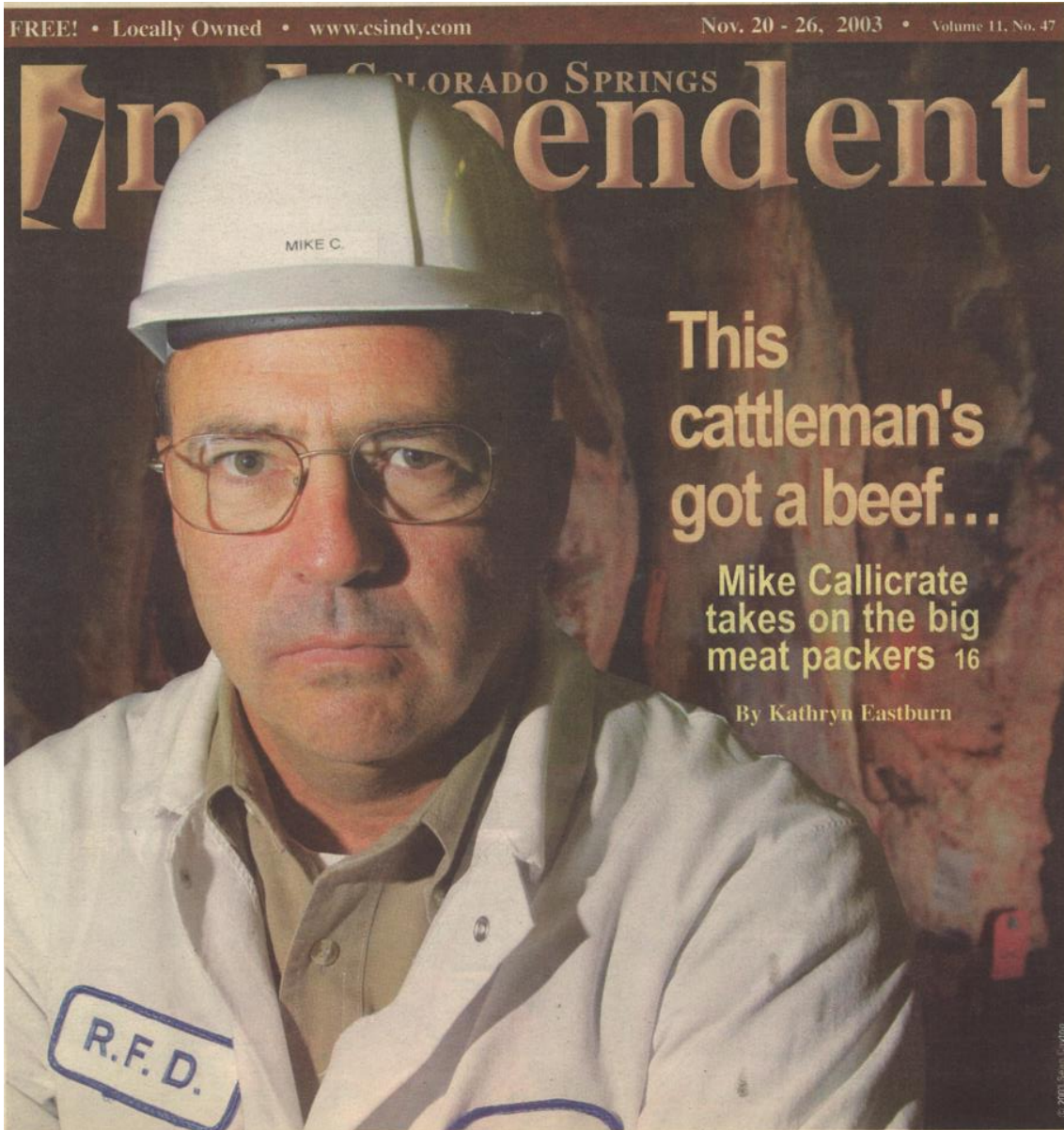
**- January 1999**

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**





Greg Gunthorp received the 2023 Spirit of Farm Aid award

"This agricultural system has economically gutted rural America. And if we continue what we're doing now down this path of concentration and consolidation, there are going to be no independent family farms left. Most of the protein, the red meat and the poultry, is already a feudal serf system. If the farmers do not own animals on their land, they own the manure, the mortgage and the mortalities. They don't own any of the other stuff. We cannot continue this. There's no egg producers left, there's no independent chicken farmers left, the cattle feeders are virtually gone. The only thing that's really left is corn and the cow-calf guys, and those guys are on the ropes."



Mike Callicrate tried to warn the world... #water



Watch later

Share

WYOMING

NEBRASKA

COLORADO

OGALLALA  
AQUIFER

Recharge water from the South Platte and Arkansas Rivers is being diverted to Front Range development.

Meathooked & End of Water – VICE ON HBO

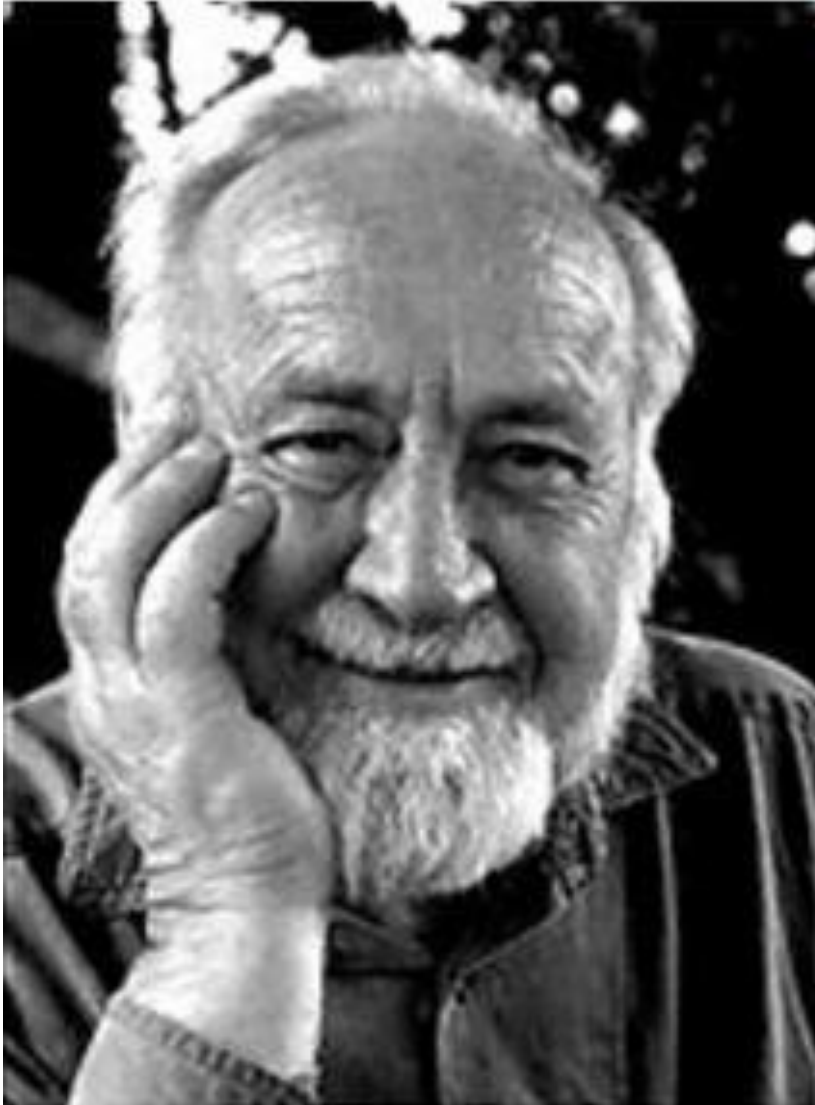
# **Rebuilding Local/Regional Food Systems**

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

**“Begin with the end in mind.”**

**February 2023**

**[MikeCallicrate.com](http://MikeCallicrate.com)**



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

Developed theory and practice of permaculture



# Plant Grass



## Managed grazing

Early science says:

- 4x the carbon drawdown
- 25% more soil microbes
- 3x wild birds
- 2x rain absorption per hour
- Up to double carrying capacity



TOMORROW 7P ET

CLIMATE CRISIS

CNN THIS MORNING

THE  
**FOURTH**  
• IN AMERICA •

**SCIENTISTS: COWS PLAY PART IN EMISSIONS SOLUTION**





Vandana Shiva – Monsanto's worst nightmare

**“Our cow dung  
is worth more  
than your Wall  
Street stocks.”**

- Vandana Shiva speaking to  
Hillary Clinton in India



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

Farmers and Ranchers

# 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.**

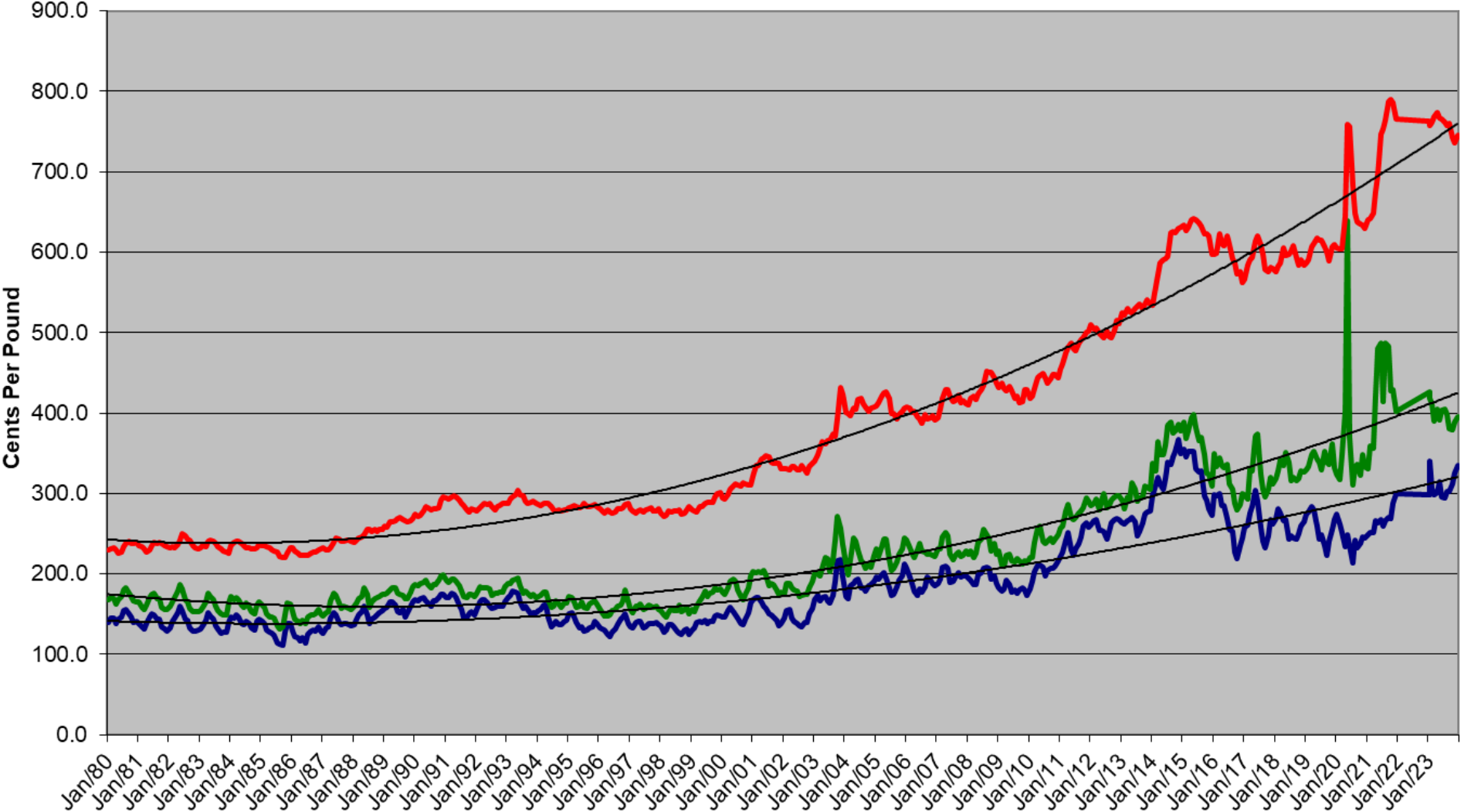


**“... we must adopt the measures needed for bringing together the producers and consumers of food and wool, and thus augmenting their power to have commerce among themselves.”**

**– Henry C. Carey 1853, advisor to President Lincoln**

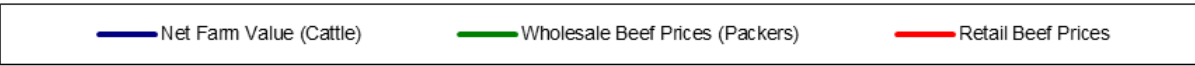
The Lincoln administration established the United States Department of Agriculture along with Land-Grant Colleges to develop agriculture and assure our ability to feed ourselves.

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



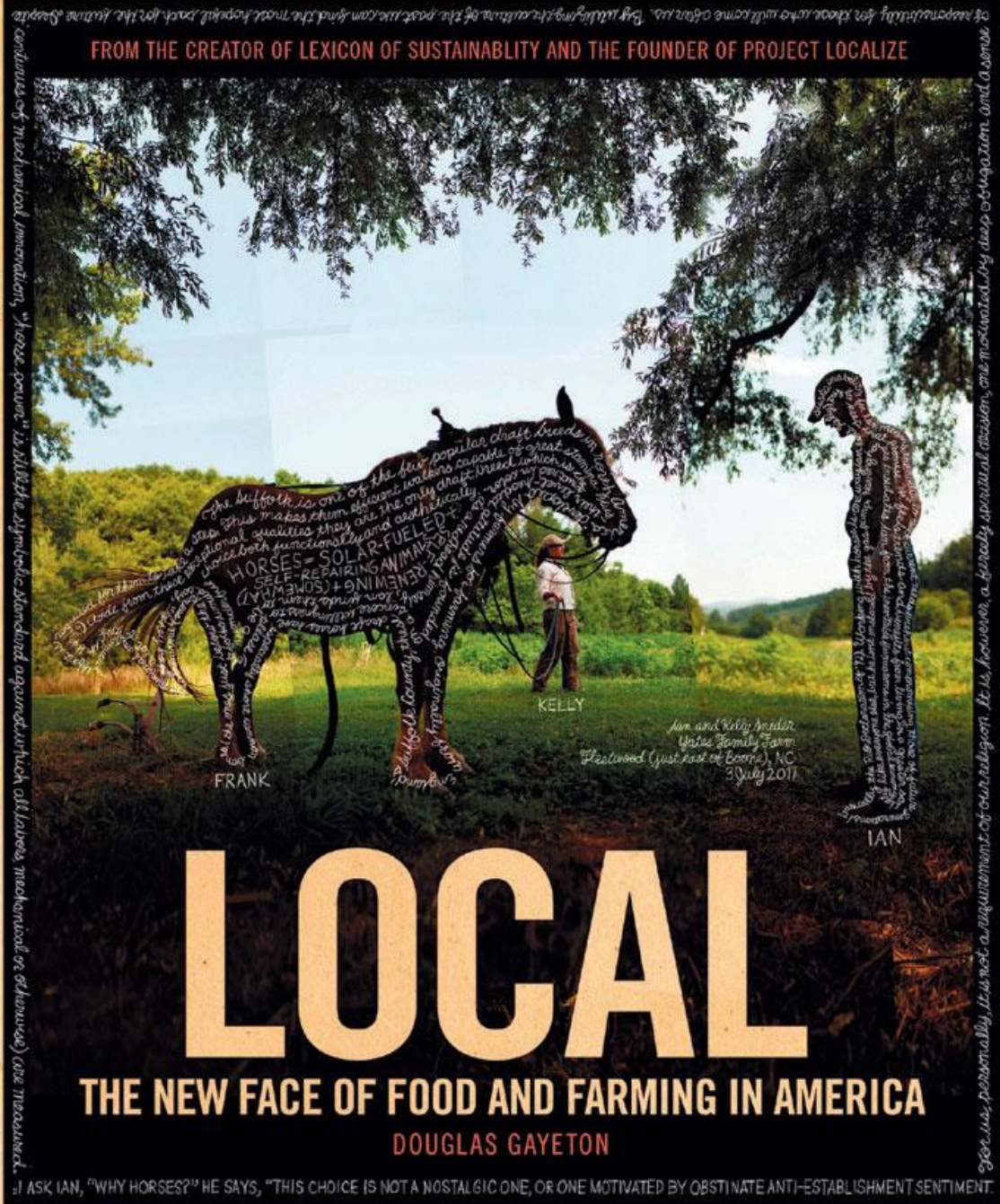
Producers and small processors must recapture a fair share of the food dollar to stay in business.

Source: USDA-ERS



R-CALF USA

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



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.

- Mike Callicrate

# 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.



# REAL WORLD RANCH RESTORATION

*For ten transformative days, inquisitive minds roamed the range alongside the livestock at Callicrate Cattle Company, learning to intuit the land*



Regarians workshop with agriculturalist Darren Doherty 2016



**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**

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

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**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



**The world needs fewer MBAs  
and more Master Butchers**

Jared, Roger, Nate, John and Joanna (JoJo) in the cut room.

**... and more beef cut from  
the carcass and less boxed  
beef.**

The industrialization and deskilling of the beef industry has left us with precious few butchers that know how to break down a carcass into retail cuts. Oldtimers Roger Wichman and John Nicocia have trained their replacements at Ranch Foods Direct.







**Eat more meat, but make it good meat from family farmers and ranchers**

# THE CARNIVORE DIET



SHAWN BAKER, MD

**Meat dense diets are growing in popularity, healing the costly degenerative and chronic diseases highly-processed manufactured fake foods have caused.**

# 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.