

Producing a Value-Added Product on the Farm

SHELL EGGS

GREATER THAN 3,000 LAYING HENS

Producing a value-added product on your farm can be a great way to generate additional revenue. The information on this sheet may help you decide if adding a product is right for your farm business and take you through the major steps involved.

15.4 EGGS ARE PRODUCED IN
MILLION MICHIGAN EACH YEAR



SELLING OPTIONS

- Direct to consumer
- Food retail locations
- First receiver (shell egg processor)
- Sold through distributors

REGULATORY REQUIREMENTS

Local

- Local zoning ordinances
- Waste water system (quarterly testing) - County health department

MDARD

- Physical facility requirements Annual inspection
- FDA registration ("Shell egg rule" 21 CFR Part 118)

EQUIPMENT

- Thermometer
- Potable hot and cold water.
- Water tested for potability:
 - Annually for municipal source
 - Every 6 months for well source
- Dedicated shell egg wash sink is recommended.
- Shell egg wash sanitizer (Non-food category "Q" list can be found at: <https://info.nsf.org/USDA/psnclistings.asp>)
- Egg candler
- Food scale
- Refrigerator maintained at 45° F or less

LICENSING

Farms with **greater than 3,000** laying hens require licensing for the sale of shell eggs. Eggs must be processed in a licensed kitchen.

- Limited food processor - <\$25,000/year in gross sales
- Food processor - \$25,000/year in gross sales

LABELS

- Facility & traceability codes expiration date
- Name & address of responsible party egg size by weighing
- Egg grade
- Safe handling instructions
- Nutrition facts, unless exempt
- Label language must include: "Keep refrigerated"

ESTIMATED STARTUP COSTS

Before making a decision to process a value-added product on the farm, you may want to consider the associated costs. These are estimated costs for equipment and regulatory considerations for processing.

- Egg wash sink = \$800+
- Egg Candler = \$200
- Food scale = \$100
- Refrigerator w/ 24/7 monitor = \$500+
- Water testing = \$50
- Pest service = 1 - 2.5% of gross sales
- Environmental testing = \$2,000 - \$4,000/yr
- Waste water system (private) = \$30,000 - \$100,000
- Waste water permit fee (private) = \$1,500/year
- Food processing license = \$186 or \$471/year



FOOD SAFETY

Farm must follow GAAMPS (Generally Accepted Agricultural and Manufacturing Practices). Cleaning steps with in 36 hours of laying:

- Wash eggs in potable water that is warmer than the eggs.
- Wash with an approved detergent or detergent sanitizer. (Non-food category "Q" list can be found at: <https://info.nsf.org/USDA/psnclistings.asp>)
- Rinse with water containing an approved sanitizer at a temperature slightly higher than the wash water.
- Do not soak eggs.
- Immediately dry eggs. Do not package eggs that are not dry.
- Once dry, eggs lightly coated with food grade mineral oil.
- Refrigerate at 45°F or less.
- Package in clean egg carton or package suitable for safely holding eggs.

Visit [MSU Center for Regional Food Systems](https://foodsystems.msu.edu) at foodsystems.msu.edu to find the resources used to develop these materials.

THIS RESOURCE WAS DEVELOPED BY THESE PARTNERS: