

**RULES  
OF  
GEORGIA DEPARTMENT OF AGRICULTURE**

**CHAPTER 40-7-11  
ADDITIONAL REGULATIONS APPLICABLE TO  
THE SALE OF MEAT BY WEIGHT AND FOOD SERVICE CONTRACTS**

<u>Citation #</u>	<u>Regulation</u>	<u>Page</u>
40-7-11-.01	Definitions	1
40-7-11-.02	Method of Sale	2
40-7-11-.03	Customer Order Form	2
40-7-11-.04	Prohibited Sales Practices	4
40-7-11-.05	Pricing and Financing	5
40-7-11-.06	Advertisements	5
40-7-11-.07	Meat Unfit for Human Consumption	6
40-7-11-.08	License	6
40-7-11-.09	Approval of Forms and Keeping of Forms	7

**40-7-11-.01 Definitions.** The following words or terms shall have the meaning set forth herein when used in these rules and regulations:

- (a) **"Buyer"** means both actual and prospective purchasers of wholesale cuts and other food service plans.
- (b) **"Contract"** means all written agreements subscribed to by a buyer and includes promissory notes, unless otherwise specified.
- (c) **"Food Service Plan"** means any contract under which the seller agrees to furnish the buyer with any food products whether or not a membership fee or similar charge is involved. It includes, but is not limited to, a contract to furnish a wholesale cut or primal of beef, pork, lamb sheep or goat, same to be cut into consumer size cuts, wrapped and delivered to the consumer with or without other foods.
- (d) **"Misrepresent"** means, but is not limited to, the use of any untrue, deceptive or misleading oral or written statement, advertising, label, display, picture, illustration, sample, or fanciful product names not approved by the Industry-wide Cooperative Meat Identification Standards Committee of the National Livestock and Meat Board.
- (e) **"Firm"** means individuals, corporations, partnerships and any other form of business organizations, and all officers, directors, agents, employees and representatives thereof. Firms include, but are not limited to, meat firms selling and cutting primal cuts when the wholesale cut is purchased by the buyer and food service contracts which include meat, meat food products and other food items. "Firm" does not include retail food stores cutting wholesale meats, all of which are to be delivered on a single order to one customer; and includes those firms other than retail food stores selling precut (wrapped individually or not individually wrapped) meats and other food products when sold by the box of five pounds or more at the time of sale by the unbroken box or by hanging weight. Meat processing firms, who are under inspection by the Meat Division of the Georgia Department of Agriculture, are not required to meet the provisions of this regulation.
- (f) **"Product/Meat"** means beef, pork, lamb, sheep or goat unless otherwise indicated.
- (g) **"Represent"** means, but is not limited to, the use of any form of oral or written statement, advertising, label, display, picture, illustration or sample.
- (h) **"Wholesale cut/Primal cut"** means whole carcass of beef, pork or lamb or any part thereof customarily classified as being of commercial size and usually requiring further cutting into cuts or retail size when bought by, and cut for, use by buyers.

(i) **"Bulk Meat"** means wholesale cuts sold by hanging weight consisting of whole carcasses, sides or primal cuts or boxed meat sold in containers five (5) pounds or larger.

(j) **"Department"** means the Georgia Department of Agriculture.

(k) **"Advertisements"** include, but are not limited to, radio, newspapers, magazines, television, store flyers sent either by mail, distributed by hand, or otherwise, to homes, automobile windshields, and any other means.

(l) **"Yield Grade"** means the yield grade as officially used and described by the United States Department of Agriculture. (USDA Yield amounts to be supplied by USDA.)

Authority Ga. L. 1956, p. 195 as amended; O.C.G.A. Sec. 26-2-1 et seq. **History.** Original Rule entitled "Definitions" filed on June 30, 1965. **Repealed:** New Rule, same title, adopted. F. Apr. 19, 1991; eff. May 9, 1991. **Repealed:** New Rule, same title adopted. F. May 28, 1992; eff. Jun. 17, 1992. **Repealed:** New Rule, same title, adopted. F. Apr. 30, 1996; eff. May 20, 1996.

#### **40-7-11-.02 Method of Sale.**

(1) Bulk meats should be sold in terms of avoirdupois weight, specified in pounds and ounces.

(2) The firm shall clearly explain to the customer before the sale is consummated:

(a) The purchase of wholesale cuts by hanging weight is subject to cutting, boning and trim loss during processing;

(b) The number of pounds of retail style cuts will be considerably less than the hanging weight upon which the price is based; and

(c) Shall give the buyer an estimate of the actual weight of retail cuts of meat expected to be delivered; same to be stated on the Customer Order Form.

Authority Ga. L. 1956, p. 195 as amended; O.C.G.A. Sec. 26-2-1 et seq. **History.** Original Rule entitled "Standards of Water" filed on June 30, 1965. **Repealed:** New Rule, same title, adopted. F. Apr. 19, 1991; eff. May 9, 1991. **Repealed:** New Rule, same title, adopted. F. May 28, 1992; eff. Jun. 17, 1992. **Repealed:** New Rule entitled "Method of Sale" adopted. F. Apr. 30, 1996; eff. May 20, 1996.

**40-7-11-.03 Customer Order Form.** At the time of delivery of the meat or other food items, there shall be rendered to the buyer a Customer Order Form and Summary Sheet(s) prepared in ink or other indelible substance on which shall be legibly stated:

(a) The name and address of the firm;

(b) The date of the order;

(c) The name and complete address of the buyer;

(d) A description of the product by carcass side, by species, amount, quality, and USDA Grade, State Grade, and/or Yield Grade (if graded) and a detailed description of other food products by brand name and common & usual names;

(e) The price per pound hanging weight in the case of hanging meat sales and price per serving of food items other than meat;

(f) The gross weight of the product prior to processing in the case of hanging meat sales;

(g) The weight of the meat hooks, freezer baskets, other containers, or other weighing devices in the case of hanging meat sales;

(h) The cutting loss weight in the case of hanging meat sales;

- (i) The net weight of the delivered meat and a detailed list of all other items delivered;
- (j) Statement if the bone, trimmed fat and/or waste meat are wanted by the buyer;
- (k) The Yield Grade of the carcass, if graded;
- (l) The name of the person cutting the order of meat, and the name of the person supervising the cutting, wrapping and marking of the meat order and assembly of orders for products other than meat;
- (m) The service charge cost of the order;
- (n) The interest charge cost of the order;
- (o) The credit investigation charge for the order;
- (p) The time price differential cost of the order;
- (q) The sales tax for the order;
- (r) Other charges of the order;
- (s) The total cost of the buyer's order;
- (t) Method of payment by the buyer of the order- if by cash, check, or credit card including the credit card name and card number;
- (u) The statement printed in capital letters: "THIS INSTRUMENT PROMISSORY NOTE MAY BE TRANSFERRED OR ASSIGNED TO A FINANCIAL INSTITUTION OR OTHER THIRD PARTY AND PAYMENT ENFORCED BY THEM. IF ANY NOTE IS A COGNOVIT NOTE, THE SELLER SHALL ADVISE THE BUYER THAT IT AUTHORIZES A CONFESSION OF JUDGEMENT ON THE NOTE IF IT IS NOT PAID WHEN DUE, AND THAT A COURT JUDGEMENT MAY BE ENTERED AGAINST HIM WITHOUT PRIOR NOTICE."
- (v) The Certification by Buyer statement: "I certify that I have received the above amount of meat, and the number of packages of meat (as stated on the Summary Form attached hereto); that no effort was made by the seller of this meat to induce me to buy a higher priced carcass than I have bought. I have read the above and understand same."
- (w) The Buyer's signature.
- (x)The Seller's signature.
- (y) A statement of the variations in the order, such as "Imitation Wieners," "Beef Wieners," "Water Added Ham," etc.
- (z) The total number of packages delivered.
- (aa) The name of the product in each package.
- (bb) If the buyer requests it, the net weight of each package. The weights in items (f), (g), (h), (i), and (z) shall be recorded to the nearest 1/4 ounce on all weights.
- (cc) The name and address of the processor if other than the selling firm.

Authority Ga. L. 1956, p. 195 as amended; O.C.G.A. Sec. 26-2-1 et seq. **History.** Original Rule entitled "Sampling" filed on June 30, 1965. **Repealed:** New Rule, same title, adopted. F. Apr. 19, 1991; eff. May 9, 1991. **Repealed:** New Rule, same title, adopted. F. May 28, 1992; eff. Jun. 17, 1992. **Repealed:** New Rule entitled "Customer Order Form" adopted. F. Apr. 30, 1996; eff. May 20, 1996.

**40-7-11-.04 Prohibited Sales Practices.** No firm advertising, offering for sale or selling any Food Service Plan shall engage in any unfair methods of competition or unfair trade practices and Particularly the following:

(a) Bait Selling.

1. Disparage or degrade any product advertised or offered for sale by the firm in order to induce the purchase of other product; or represent that specified product is for sale when such representation is used primarily to sell a higher priced wholesale cut.

2. Substitution of any kind for that ordered by the buyer without the buyer's written consent.

3. Fail to have available a sufficient quantity of any product represented as being for sale to meet reasonably anticipated demands, unless the limited available amount is disclosed fully and conspicuously in all advertising.

(b) Savings Representations.

1. Use any price list other than the firm's current prices to all buyers, or fail to disclose fully and conspicuously thereon that the prices quoted are subject to change if such is the fact; or fail to furnish to the buyer, prior to his signing of any contract, a written copy of such current price list which shall contain an accurate description of the wholesale cuts and other food items including, whenever applicable for primal cuts: USDA Grade; net weight; brand or trade name. Misrepresent the amount of money that the buyer will save on purchases of any product.

2. Represent the price of wholesale cut in any terms other than price per pound. Such price shall not be stated by dollar amount of any installment payment or number of payments for a period of time. Credit terms, if offered shall be stated separately and clearly. If the meat is pre-trimmed, this fact shall be so stated on the Customer Order Form.

(c) Guarantees.

1. Make any promise, either to exchange unsatisfactory meat or to give a refund thereof, which expires in less than 90 days from the date of delivery of such products. or fail to honor such promise where, through no fault of the buyer, the Food Service Plan's primal cut does not meet minimum standards of quality, weight, or satisfaction expected by the ordinary buyer. This does not apply to guarantees to make exchanges or refunds regardless of the condition of the food product.

(d) Product Representations.

1. Misrepresent the cut, grade, brand or trade name, type of feeding of the animal, or weight or measure of any food product.

2. Use the term "U.S.", "USDA Choice", other USDA Grade, or Georgia Department of Agriculture Grade, in describing a primal cut which is, in fact, not graded by the United States Department of Agriculture or the Georgia Department of Agriculture, except that primal cuts may be described as "U.S. Inspected" when such statement is true.

3. Misrepresent: the total amount and/or the proportion of retail cuts that a wholesale cut of meat will yield; the total sales price.

4. Fail to furnish the buyer with a written statement: Customer Order Form and Summary Sheet(s) for each individual sale. If the meat is weighted with immediate wrappings, such fact shall be stated and the tare weight stated and deducted.

5. Represent the price of any food freezer without fully and conspicuously disclosing its brand or trade name, model number and year, its size and capacity.

6. In advertisements, use of the words "bundle," "sample order," or words of similar import, must not be used unless the firm itemizes each food product the weight thereof and the price per pound for each primal cut of meat which the buyer will receive together with information regarding "imitation," "water added," and similar terms required for proper labeling of wieners, hams, etc. and other foods.

7. The terms phrases "90 Days Same as Cash," "120 Days Same as Cash," and terms of like import are not to be used in advertising unless in fact the customer actually has 90 days in which to make payment in full. and no payment is due prior to the end of the 90 day period figured from the date of sale.

8. The term "opening an account" shall not be used unless it is made clear in the advertising that this involves a credit account and/or an installment payment account with interest to be added as stated.

Authority Ga. L. 1956, p. 195 as amended; O.C.G.A. Sec. 26-2-1 et seq. **History.** Original Rule entitled "Limits" filed on June 30, 1965. **Repealed:** New Rule, same title, adopted. F. Apr. 19, 1991; eff. May 9, 1991. **Repealed:** New Rule, same title, adopted. F. May 28, 1992; eff. Jun. 17, 1992. **Repealed:** New Rule entitled "Prohibited Sales Practices" adopted F. Apr. 30, 1996; eff. May 20, 1996.

#### **40-7-11-.05 Pricing and Financing.**

(1) Misrepresent or fail to disclose fully and conspicuously on the Customer Order Form the terms and details of any financing arrangements, interest, service charge, credit investigation fee, membership fee, time-price differential and any costs or that there is a trial basis (if such is the case).

(2) Fail to advise the buyer before signing any promissory note that the note may be transferred or assigned to a financial institution or third party and payment enforced by them. If any note is a cognovit note, the firm shall advise the buyer that it authorizes a confession of judgement on the note if it is not paid when due, and that a court judgement may be entered against the buyer without prior notice.

(3) Misrepresent or fail to show the total amount that the buyer will be obligated to pay.

Authority Ga. L. 1956, p. 195 as amended; O.C.G.A. Sec. 26-2-1 et seq. **History.** Original Rule entitled "Physical Characteristics" filed on June 30, 1965. **Repealed:** New Rule entitled "Source of Water", adopted. F. Apr. 19, 1991; eff. May 9, 1991. **Repealed:** New Rule, same title, adopted. F. May 28, 1992; eff. Jun. 17, 1992. **Repealed:** New Rule entitled "Pricing and Financing" adopted. F. Apr. 30, 1996; eff. May 20, 1996.

#### **40-7-11-.06 Advertisements.**

(1) Advertisements, in the case of hanging meat sales, shall clearly state the gross weight of the meat; the minimum number of pounds of retail cuts; the yield grade of the carcass cut being offered; the price per pound of the hanging weight; and the cost per pounds of the expected retail cuts of meat from the carcass. The price per pound of the expected product from the carcass shall be clearly stated on the Customer Order Form and if given in an advertisement, it shall be stated in type size not less than 18 point, Gothic Bold or comparable type which is approved by the Department. This wording shall be in two lines. Sales derived from boxed meats, must clearly state the gross weight of the meat, the minimum number of retail cuts, an estimate of the cutting loss, the price per pound. The wording shall be enclosed in a box of solid or wavy-type lines and which box has a minimum type width of 1/16 inch.

(2) Advertised prices shall include the estimated price range including all costs of the delivered product.

(3) The price per pound of all wholesale cuts must be:

(a) On a display placard located in an area where it may be easily seen and read by the customer under usual conditions;

(b) By a sign on the carcass of the wholesale cut giving the same information or, in the case of boxed meat sales, directly on the container; and

(c) In all advertisements.

(4) The type size of such listing of the wholesale cuts and the price per pound shall be a minimum of 1/2 inch high; the type shall be placed against a contrasting background which makes the prices and names easily readable by the buyer. Color combinations shall be approved by the Department and the colors shall contrast. No other than approved color combinations shall be used. Samples of the coloring shall be submitted to the Department for acceptance.

(5) The yield grade and the meaning of each Yield Grade of the meat shall be clearly stated in advertisements and on placards in the firm.

(6) Advertise or offer "free," "bonus gift," and like-named specials, or extra food combined with or conditioned on the purchase of any other product or service or time element unless such additional food product is offered to all customers without restriction and is accurately described including, whenever applicable, grade, net weight or measure, and brand or trade name, imitation, water added or other variations or varieties.

(7) The inducement of such offers to only a few customers, such as but not limited to, such statements as "the first 20 people opening an account," "the first 20 orders phoned in," and similar types of offers must be offered to all customers. The use of free or special priced gifts to a selected number of customers or potential customers cannot be used.

(8) Fail to disclose fully and conspicuously in all advertisements that the yield of consumable meat from any wholesale cut will be less than the gross weight of the wholesale cut and the appropriate average cutting loss for the grade and yield of meat being sold.

Authority Ga. L. 1956, p. 195 as amended; O.C.G.A. Sec. 26-2-1 et seq. **History.** Original Rule entitled "Chemical Characteristics" filed on June 30, 1965. **Repealed:** New Rule entitled "Maintenance of Water Source", adopted. F. Apr. 19, 1991; eff. May 9, 1991. **Repealed:** New Rule, same title, adopted. F. May 28, 1992; eff. Jun. 17, 1992. **Repealed:** New Rule entitled "Advertisements" adopted. F. Apr. 30, 1996; eff. May 20, 1996.

**40-7-11-.07 Meat Unfit for Human Consumption.** Wholesale meats which are not suitable for human consumption shall not be offered for sale and/or displayed and must be disposed of properly.

Authority Ga. L. 1956, p. 195 as amended; O.C.G.A. Sec 26-2-1 et seq. **History.** Original Rule entitled "Source of Water" filed on June 30, 1965. **Repealed:** New Rule entitled "Bottling and Filling of Containers" adopted. F. Apr. 19, 1991; eff. May 9, 1991. **Repealed:** New Rule, same title, adopted. F. May 28, 1992; eff. Jun. 17, 1992. **Repealed:** New Rule entitled "Meat Unfit for Human Consumption" adopted. F. Apr. 30, 1996; eff. May 20, 1996.

**40-7-11-.08 License.**

(1) Firms beginning operation in this state after the effective date of these regulations must:

(a) Make proper application for Food Sales Establishment License with the Department;

(b) Request an inspection of their proposed operational facilities;

(c) Furnish a copy of their proposed forms, "Customer Order Form", "Summary Sheet" and Food Service Contract secure acceptance of this form from the Department;

(d) Bring their proposed building and all equipment into compliance with all laws and regulations of the Georgia Food Act, Ga. Laws 1956, p. 195, as amended;

(e) Furnish evidence of application for a proper business license and Georgia sales tax number license;

(f) And all other applicable licenses having been applied for or issued before the firm may receive a license from the Department for operation;

(g) No person, firm, corporation, association, partnership or other entity shall operate a business until he shall have been issued a license by the Department under these regulations.

(2) In the case of firms existing and operating on the effective date of these regulations, the same items shall be complied with within 30 days.

Authority Ga. L. 1956, p. 195 as amended; O.C.G.A. Sec. 26-2-1 et seq. **History.** Original Rule entitled "Maintenance of Water Source" filed on June 30, 1965. **Repealed:** New Rule entitled "Bottle Washing" adopted. F. Apr. 19, 1991; eff. May 9, 1991. **Repealed:** New Rule, same title, adopted. F. May 28, 1992; eff. Jun. 17, 1992. **Repealed:** New Rule entitled "License" adopted. F. Apr. 30, 1996; eff. May 20, 1996.

#### **40-7-11-.09 Approval of Forms and Keeping of Forms.**

(1) All Customer Order Forms and Summary Sheets must be submitted to the Department for approval of information and form design before being printed and put into use by the firm.

(2) Copies of Customer Order Forms, Summary Sheets and Food Service Contract shall be maintained by the firm at the place of business of the firm for a minimum of 12 months from the issuance date and the copies are subject to review by a representative of the Department at any time during this 12 month period.

(3) The original copy of the Customer Order Form and Summary Sheet Form shall be issued to each purchaser at the time of sale of the primal cut.

Authority Ga. L. 1956, p. 195 as amended; O.C.G.A. Sec. 26-2-1 et seq. **History.** Original Rule entitled "Fill of Bottles" filed on June 30, 1965. **Repealed:** New Rule entitled "Sealing of Bottles" adopted. F. Apr. 19, 1991; eff. May 9, 1991. **Repealed:** New Rule, same title, adopted. F. May 28, 1992; eff. Jun. 17, 1992. **Repealed:** New Rule entitled "Approval of Forms and Keeping of Forms" adopted. F. Apr. 30, 1996; eff. May 20, 1996.