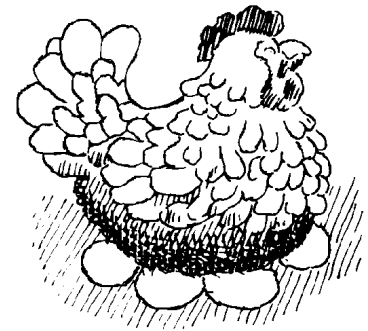


# Fresh Farm Eggs— Marketing and Regulations

Agriculture and Natural Resources Fact Sheet #511

Small flock owners in King County may find profitable opportunities to sell fresh farm eggs directly to consumers, restaurants, grocery stores, institutions, or retailers. In fact, niche markets offer venues for producers of “specialty” eggs like organically produced eggs, free range eggs, colored eggs, or hand gathered and processed eggs. Egg marketing requires planning ahead as well as some understanding of laws and regulations, but the effort can pay off. Here are some tips and resources for marketing fresh farm eggs.



## Marketing Fresh Eggs

Farmers can market eggs in two basic ways:

- 1) **Retail**—selling directly to consumers: either on farm, on a subscription basis, or at farmers markets,
- 2) **Wholesale**—selling to retailers such as grocery stores, restaurants, hotels, or institutions. Wholesale marketing can be direct to retailers or through wholesale brokers or distributors. Another way to market wholesale is through a producer cooperative—pooling technical, marketing, and purchasing capacities of individual farmers in order to distribute greater and more reliable quantities of eggs to retailers.

### How to decide on a method?

Consider your abilities, time commitment, interests, and needs of the farm. How much time and effort can you put into marketing? How much time and effort do you want to put into farm operations?

#### Direct retail marketing

- offers a greater return per unit but involves time and effort,
- requires regular direct contact with people,
- may entail some costs, such as reliable transportation.

#### Wholesale marketing

- could mean less time spent marketing if you chose to work with a broker,
- requires less time away from the farm to sell large quantities,
- may result in lower returns but higher volume can compensate.

Don't put all your eggs in one basket—the best method may be a combination of direct and wholesale marketing.

#### Pricing

A key to marketing any “niche” farm product is to avoid underpricing. Consumers expect to pay more for a niche product so be sure to research local market prices and base your selling price accordingly.

Whatever your marketing strategy, keep in mind that different regulations apply to different marketing methods.

## Regulations

### Retail

#### On farm and subscription sales

*Inspection:* Persons with up to 3,000 laying hens or fewer may sell directly **to individual consumers at the place of production** and are not subject to inspection.

*Licensing:* None required for direct sales to consumer at place of production.

*Safety:* Eggs are a perishable food not unlike meat and poultry. Though not regulated, it is wise to maintain standards of cleanliness, keep eggs refrigerated at a maximum temperature of 45° F, and prevent eggs from contacting ice or water. Customers will appreciate the extra peace of mind!

*Insurance:* A comprehensive general liability policy is recommended.

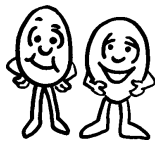
 *Contact:* Washington State Department of Agriculture, Egg Inspection Program, (360)902-1830 (for current rules and regulations for eggs sold in intrastate commerce).

### An 'eggsample' of creative marketing!

According to Jeff Ishee, a farmer with many years of marketing experience under his belt, if only people knew how commercial layers are managed, they would be flocking to the local market to buy free-range or humanely produced eggs. Laid by hens that are allowed to roam free and have access to fresh air and a rich and varied diet, these eggs have a rich yellow yolk compared to the pale watery insides of factory-produced eggs, and a freshness and good taste that only old-timers recall from their childhood.

To take advantage of the market potential for farm-fresh eggs, talk to buyers about the differences between eggs raised naturally and those sold at the store. Explain why your product is nutritionally superior, present your point of view pictorially, display photographs of your hens and let the consumers connect. The education helps not just to aid in consumer awareness, it is also a great sales booster. People feel responsible for their health and recognize instinctively the value of your product and will be back for more. And they won't mind paying more for your eggs either!

from *Direct Marketing*, ATTRA March 1998  
by Radhika Balasubrahmanyam  
<http://www.attra.org/attra-pub/dirmkt.html>



### Farmers Markets Sales

*Inspection:* Eggs are subject to WSDA inspection for size and grade. Only grades AA, A, and B are legally sold off farm.


*Licensing:* An Egg Dealer's License from Master License Service (in effect for 12 months from date of purchase) and, state egg seals (\$2.50 for 1,000 dozen) from WSDA are required.

*Safety:* Eggs must be kept under temperature control (less than 45° F) but may not come in contact with ice or water when stored in coolers.

*Insurance:* Generally, farmers markets as a whole carry a comprehensive liability policy. However, each individual seller is liable for his or her own product and, therefore, may wish to have their own liability policy.

*Containers:* A variety may be used from brown paper bags to cardboard egg cartons, however, **it is unlawful to reuse containers**. Customers may bring their own, but a state seal must be placed on their container at the time of purchase. For sanitary reasons do not trade cartons with a customer. If sold in bulk, eggs must be sorted by size and grade and labeled accordingly.

*Labels:* Eggs must be properly labeled per WSDA law. Labels must include name and address of vendor, size and grade of egg, and a state egg seal. It is unlawful to reuse cartons bearing another firm's trade name.

 *Contact:* Washington State Department of Agriculture, Egg Inspection Program, (360)902-1830 voice; (360)902-2087 fax.  
Washington State Farmers Market Association  
11910-C Meridian E, Ste 29, Puyallup, WA 98373, 425-710-2064 (voice mail only).

### Wholesale

Anyone who sells eggs to retailers or dealers (e.g., grocery stores, restaurants, hotels, institutions) or with more than 3,000 laying hens must comply with the USDA Egg Products Inspection Act and the state's Wholesome Egg and Egg Products Act (RCW 69.25 Web: [leginfo.leg.wa.gov/pub/rcw/title\\_69/chapter\\_025/](http://leginfo.leg.wa.gov/pub/rcw/title_69/chapter_025/)).

*Inspection:* Subject to WSDA inspection for grade and size. Only grades AA, A, or B can be sold off-farm.

*Licensing:* Requires annual egg handler's or egg dealer's license (\$30.00; \$15.00 for branch license) and purchase of egg seals. Apply through Master License Service of the Depart-

ment of Licensing. (360)753-4401; Web:

[www.wa.gov/dol/bpd/mlsinfo.htm](http://www.wa.gov/dol/bpd/mlsinfo.htm).

**Safety:** Once graded, sized and placed in containers, eggs must be stored at a maximum temperature of 45° F.

**Insurance:** An individual or business liability policy may be warranted.

**Containers:** **It is unlawful to reuse containers.** New containers with another handler's or dealer's permanent number may be used on a temporary basis (less than one year) for the purpose of using up existing container stocks. The other handler's or dealer's number must be totally obliterated prior to use.

**Labels:** Must bear the name and address or permanent number of the egg dealer or handler. The container must have the name and address of the vendor, the size and grade of the eggs, and the state egg seal. The container must also be labelled "keep refrigerated."

**Records:** Records of egg sales and purchases (including names and addresses) must be maintained. Date, quantity, and quality of eggs must be shown. Records must be kept for two years.

 **Contact:** Washington State Department of Agriculture, Egg Inspection Program, (360)902-1830 voice; (360)902-2087 fax.

### **Certified Organic Eggs**

**Inspection:** An Organic Food Program Inspector will visit your farm at least once each year.

**Labeling:** Same as for conventional eggs except must be certified to label eggs as organic.


**Certification:** Requires 100% organic feed from one day old chicks to egg production. Antibiotics and hormones are prohibited.

**Records:** Must maintain medical records, feed and feed supplement records, purchase and sales records of livestock, and records of all materials used in the on-site production of crops for feed.

**Fees:** Fees are annual and are based on organic sales. Most new growers pay an application fee of \$165 (based on sales under \$12,000) plus a \$75 new applicant fee.

**Vaccination:** Approved for coccidiosis and other endemic diseases.

**Living conditions:** Must be either a movable pen system or four square feet per bird and access to the outside.

 **Contact:** WSDA Organic Food Program (360)902-1877 voice, (360)902-2087 fax; Email: [organic@agr.wa.gov](mailto:organic@agr.wa.gov)

## **A word about safety...**

The FDA considers eggs "potentially hazardous". The designation is not cause for alarm. It simply means that these foods are perishable and should receive refrigeration, sanitary handling and adequate cooking. Lack of attention to these details can make any food a "hazardous" food.

### **Tips for safe handling:**

**A good rule is to handle all eggs as if they have thin shells.**

Shells may be thinner in summer than in winter, and large eggs usually have thinner shells than medium or small eggs.

**Proper humidity and temperature control keeps eggs from losing carbon dioxide.**

Eggs are estimated to have 7500 pores or openings. Gases are transferred and moisture is lost through these openings. Moisture loss results in weight loss, and loss of carbon dioxide speeds up breakdown in egg quality.

## **Resources**

### **Marketing Resources**

USDA, Agricultural Marketing Service  
Poultry Programs, D. Michael Holbrook,  
(202)720-4476 voice  
Email: [D\\_Michael\\_Holbrook@usda.gov](mailto:D_Michael_Holbrook@usda.gov)  
Web: [www.ams.usda.gov/index.htm](http://www.ams.usda.gov/index.htm)

Appropriate Technology Transfer for Rural Areas  
(ATTRA)  
PO Box 3657, Fayetteville, AR 72702  
(800)346-9140; Web: [www.attra.org](http://www.attra.org)

American Egg Board  
1460 Renaissance Dr, Park Ridge, IL 60068  
(847)296-7043voice; (847)296-7007  
Email: [aeb@aeb.org](mailto:aeb@aeb.org) Web: [www.aeb.org/](http://www.aeb.org/)

Egg Farms:  
Rose Valley Farms  
63 Rose Ridge Ln, Republic, WA 99166  
(509) 775-2242voice  
Email: [damedora@rosevalley.com](mailto:damedora@rosevalley.com)  
Web: [www.rosevalley.com/welcome.html](http://www.rosevalley.com/welcome.html)

## More Resources

### Cooperatives:

Northwest Cooperative Federation  
4201 Roosevelt Way NE, Seattle WA, 98105 :  
(206)632-4559 voice; (206)545-7131 fax  
Email: [nwcf@seanet.com](mailto:nwcf@seanet.com)  
Web: [www.seanet.com/~nwcf](http://www.seanet.com/~nwcf)

Organic Valley /CROPP Cooperative  
507 W Main, PO Box 159, La Farge, WI 54639  
(608)625-2602 voice, (608)625-2600 fax  
Email: [organic@organicvalley.com](mailto:organic@organicvalley.com)  
Web: [www.organicvalley.com/](http://www.organicvalley.com/)

### Questions about regulations?

United States Department of Agriculture (USDA)  
14th & Independence Ave. SW, Washington, D.C.  
20250; (202)720-279 voice; Web: [www.usda.gov](http://www.usda.gov).

Washington State Department of Agriculture  
(WSDA) 1111 Washington St, PO Box 42560,  
Olympia, WA 98504-2560

Egg Inspection Program (grading and sizing information, state egg seals), (360)902-1830 voice;  
(360)902-2087 fax.

Organic Food Program (360)902-1877 voice,  
(360)902-2087 fax; Email: [organic@agr.wa.gov](mailto:organic@agr.wa.gov)

Seattle-King County Department of Public Health,  
Environmental Health Division  
999 Third Ave, Ste 700, Seattle, WA 98104  
(206)296-4722.

WA Farmers Market Association  
11910-C Meridian E, Ste 29, Puyallup, WA 98373,  
(425)710-2064 (voice mail only)

Master License Service of the Department of Licensing. Phone (360)753-4401; Web: [www.wa.gov/dol/bpd/mlsinfo.htm](http://www.wa.gov/dol/bpd/mlsinfo.htm)

### Supply Sources

*Egg candlers, cartons, etc.:*

Lyon Electric Co  
2765 Main St, Chula Vista, CA 91911  
(619)585-9900 voice; (619)420-1426 fax  
Email: [lyonelect@aol.com](mailto:lyonelect@aol.com)  
Web: [www.lyonelectric.com](http://www.lyonelectric.com)

NASCO Farm & Ranch Products  
4825 Stoddard Road; P.O. Box 3837  
Modesto, California 95352-3837;  
(800)558-9595 voice; (209)545-1669 fax. E-mail:  
[modesto@nascofa.com](mailto:modesto@nascofa.com) Web: [www.nascofa.com](http://www.nascofa.com).

## Egg Definitions

Grading—refers to the interior and exterior quality of the egg. Only grades AA, A, and B can be sold retail. A candling light is required for examination.

Size—refers to weight classes: jumbo, extra large, large, medium, small, and pee wee.

Restricted Eggs—refers to checks (cracked but not leaking eggs), dirty eggs, incubator rejects, rejects, inedible eggs, leakers, or losses (see RCW 69.25.020 for detailed definitions).

Tenneco Packaging  
(888)828-2850; Web: [www.tenneco-packaging.com](http://www.tenneco-packaging.com)  
Packaging Corporation of America, a Tenneco company in Red Bluff, CA (800)222-0888

DOLCO Packaging  
1121 S Columbia St, Wenatchee, WA 98801  
(509)663-854

## Production Resources

### Books:

*Chicken Tractor: The Permaculture Guide to Happy Hens and Healthy Soil*, by Andy Lee, Pat Foreman, Patricia L. Foreman, Good Earth Publishing, 1998.

*Free-Range Poultry Production, Processing and Marketing*, by Herman Beck-Chenoweth, 1997. Back Forty Books, 26328 Locust Grove Road, Creola, OH 45622 Fax: (614) 596-3079.

*Pastured Poultry Profits*, by Joel F. Salatin, Chelsea Green Pub Co., 1996.

### Internet:

Appropriate Technology Transfer for Rural Areas (ATTRA) PO Box 3657, Fayetteville, AR 72702  
(800)346-9140 Web: [www.attra.org](http://www.attra.org)

Pastured Poultry Resources from The Sustainable Farming Connection  
Web: [www.sunsite.unc.edu/farming-connection/grazing/pastpoul/resource.htm](http://www.sunsite.unc.edu/farming-connection/grazing/pastpoul/resource.htm)

*NOTE: This fact sheet is a summary of egg sales regulations. It is not intended to substitute for actual codes and regulations.*

## Alternate formats available upon request. 206-205-3100 (TTY 711)

Written by: [Sylvia Kantor](#), Agriculture Information Coordinator, WSU Cooperative Extension King County, 1998.