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Food Safety Innovation in the United States

Evidence from the Meat Industry

**Elise Golan, Tanya Roberts, Elisabete Salay,
Julie Caswell, Michael Ollinger, and Danna Moore**

Abstract

Recent industry innovations improving the safety of the Nation's meat supply range from new pathogen tests, high-tech equipment, and supply chain management systems, to new surveillance networks. Despite these and other improvements, the market incentives that motivate private firms to invest in innovation seem to be fairly weak. Results from an ERS survey of U.S. meat and poultry slaughter and processing plants and two case studies of innovation in the U.S. beef industry reveal that the industry has developed a number of mechanisms to overcome that weakness and to stimulate investment in food safety innovation. Industry experience suggests that government policy can increase food safety innovation by reducing informational asymmetries and strengthening the ability of innovating firms to appropriate the benefits of their investments.

Keywords: Food safety, innovation, meat, asymmetric information, Beef Steam Pasteurization System, Bacterial Pathogen Sampling and Testing Program

About the authors

Elise Golan, Tanya Roberts, and Michael Ollinger are economists at the Economic Research Service, USDA. Elisabete Salay is the Director of the Interdisciplinary Center for Food Research (NEPA) and Associate Professor at the Food Engineering Faculty (FEA) of the State University of Campinas (UNICAMP), Brazil. Julie Caswell is a professor in the Dept. of Resource Economics, University of Massachusetts. Danna Moore is Assistant Director, Social and Economic Sciences Research Center, University of Washington.

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