



"Working for Nebraska beef producers - pasture to plate."

April 27, 2022

Mr. Bruce Summers, Administrator
Agricultural Marketing Service
U.S. Department of Agriculture
1400 Independence Ave SW
Washington, DC 20250

Responding to a Notice to Trade dated April 11, 2022, entitled "USDA to Host Listening Session on Cattle Contracts Library Pilot Program Development" Submitted to: *Wash.LPGMN@usda.gov*

RE: Nebraska Cattlemen Stakeholder Feedback on Cattle Contracts Library Pilot Program

Dear Administrator Summers:

Nebraska Cattlemen is a grassroots membership organization representing farmers and ranchers from every sector and scope of Nebraska's beef cattle industry. Our members appreciate the opportunity to provide stakeholder feedback regarding the USDA Agricultural Marketing Service's (AMS) development of a Cattle Contracts Library Pilot program pursuant to Division A, Title VII, Section 779 of the *Consolidated Appropriations Act of 2022* (Pub.L. 117-103).

Nebraska Cattlemen believes that a Cattle Contract Library is an acceptable and necessary tool to increase market transparency, providing beef cattle producers with information about possible and/or available marketing methods that may increase opportunities to capture previously unrealized value. Our members strongly believe that the library should contain easy-to-read summaries of the types of contracts offered by meatpackers to cattle producers to procure fed cattle. However, the Cattle Contract Library should only report a summary of the information contained in the contracts. No individual contract data that may contain confidential business information should not be released to the public, and this is to avoid giving a competitive advantage to meatpackers.

Our members believe that appropriate information to include in the Cattle Contract Library Pilot should include any information financial in nature, including but not limited to freight costs associated with transporting cattle (e.g., "F.O.B." or "delivered"), premiums and discounts, base price and how it was established, and final price. Additionally, contracts that are no longer offered by a meatpacker to a cattle producer should remain available for review but must be clearly labeled as "inactive." Contract types included in the library should be aggregates of individual contracts with similar terms. Further, contracts that cover an unspecified volume of cattle or allow for a nonspecific delivery time within a broad period (i.e., "open contracts") should be reported and maintained separately.

To further emphasize our members' desire for confidentiality, we firmly believe that in establishing and maintaining the Cattle Contract Library Pilot program, USDA-AMS must adhere to relevant statutory and regulatory requirements and longstanding USDA-AMS guidance related to confidentiality. In the event an individual contract is reported to the Agency but cannot be reasonably summarized with similar contract



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types, the contract should be deemed noncompliant with USDA-AMS's confidentiality rules and not be reported to the public or maintained in the Cattle Contract Library.

To further advance the effectiveness of the Cattle Contract Library Pilot, USDA-AMS should provide educational outreach to cattle producers to disseminate the library's contents and how to utilize the information provided in the program most effectively. For efficiency purposes, USDA-AMS should utilize existing programs, such as the Cattle and Carcass Training program, or develop new modules to teach producers how to navigate the library. USDA-AMS should also consider expanding existing strategic partnerships with land-grant universities, cooperative extension, or other entities to disseminate pertinent information regarding the Cattle Contract Library Pilot program.

Thank you for the opportunity to submit feedback on behalf of Nebraska Cattlemen members. We look forward to expanding the tools available to our members to increase market transparency.

Best,

A handwritten signature in black ink, appearing to read "Ashley Kohls".

Ashley Kohls
Vice President of Government Affairs
Nebraska Cattlemen

CC:
Jennifer Porter, Deputy Administrator, USDA-AMS
Taylor Cox, Associate Deputy Administrator, USDA-AMS
Michael Sheats, Director, LPGMN Division, USDA-AMS