

Quality Assessment Division – Fiscal Year 2025

With emerging technologies, improved grading practices, and workforce restructuring the Livestock and Poultry Program Quality Assessment Division (QAD) advanced several initiatives to transform its services in Fiscal Year 2025. QAD enhanced meat grading service by piloting two separate but similar initiatives that leverage licensed plant personnel with modern technology and verification processes to apply U.S. Beef Grading Standards and Federal Purchase Program Specification requirements without direct grader oversight. Building on this initiative, QAD is augmenting poultry grading service through standards and specifications revisions and the development of a circuit-type approach to grading products with impromptu inspections and audits to pilot with customers in Fiscal Year 2026. QAD remains committed to finding new ways to expand its services to all customers and will continue to support ongoing innovative efforts in the year ahead.

Officially Graded	
Beef	20.7 billion pounds
Lamb	44.0 million pounds
Veal/Calf	17.9 million pounds
Chicken	6.0 billion pounds
Turkey	1.0 billion pounds
Duck/Geese	20.1 million pounds
Other	6.3 million pounds
Shell Eggs	3.2 billion dozen

Join over 3,500 monthly viewers and see our [USDA Meat Grading Dashboard](#), [Official Plants Dashboard](#), and [Shell Egg Export Restrictions Dashboard](#) for grading and supply chain data.

Meat Grading & Certification

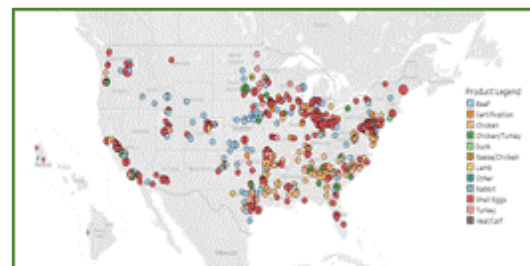
This past Fiscal Year, 94% of steers and heifers, 39% of lamb, and 65% of veal commercially slaughtered in the United States were voluntarily graded by USDA. USDA Prime and USDA Choice beef percentages reached a combined 86% of all heifers and steers offered for grading.

QAD expanded [USDA Meat Grading Service](#) and reduced costs to customers by 1) institutionalizing virtual carcass evaluation and grading through the [Remote Grading Program for Beef \(RGP\)](#) to 70 facilities in 28 states nationwide; 2) reintroducing the [Instrument Enhanced Grading Program \(IEG\)](#) to trial licensed plant personnel applying official grades using approved cameras at 7 facilities; and 3) developing a pilot program with audit-based verification and plant surveillance – Ground Beef Guardian Program (GBG) – to ensure Federal Purchase Program Specification requirements. Additional growth and future deployment are expected.

Meat certification services included 22.2 billion pounds for live animal breed specifications, and 8.5 billion pounds for commercial carcass specifications. Additionally, 87.9 million pounds of meat products were certified by QAD for the USDA Foods purchase programs, which include the National School Lunch Program.

Poultry & Shell Egg Grading & Certification

QAD officially graded about 20% of the turkeys slaughtered, 27% of chicken marketed as parts or carcasses, and 48% of table eggs packed in the U.S. during Fiscal Year 2025. QAD export certification of shell eggs totaled 36.5 million dozen in Fiscal Year 2025, 20.2 million fewer than the previous year, reflecting the continued impact of Highly Pathogenic Avian Influenza on the industry.



For [USDA Poultry Grading Service](#), QAD is scaling its service offerings to support more customers and improve their experience by creating a pilot program – Alternative Poultry Grading Program (APG) – where a rotating USDA grader assesses and assigns product grades at multiple plants using process-based quality inspections and modified technical requirements. QAD anticipates future growth and program implementation.

Audit & Verification Services

In Fiscal Year 2025, QAD conducted 1,872 audits for more than 800 requesting firms. Of these, 132 were first time audit service customers. Additionally, QAD facilitated U.S. exports by performing 266 [Export Verification](#) audits and expanding its programs to include natural casing derivative verification.

The [USDA Process Verified Program \(PVP\)](#) maintained strong demand during Fiscal Year 2025, with a total of 220 approved company PVP programs audited by AMS. Production claims (e.g., raised without antibiotics) continue to be a focus area for USDA PVP, as are systems related to traceability, sustainability, and source verification, as market demand for these claims continues to expand. The variety of products covered by USDA PVP continues to diversify, from pork, poultry, beef, veal and lamb, to catfish, human grade pet food, yogurt, and cheese.

Financial Overview of the Quality Assessment Division

QAD is required to charge user-fee customers a rate that covers all expenses for providing grading, certification, and auditing services, and USDA requires sufficient reserve balances be maintained to cover expenses to shut down these programs should demand for our services cease.

	Beginning Balance	Total Payments Revenue	Total Obligations	Ending Balance
Audit Trust	\$2,379,465	\$7,121,559	\$6,074,838	\$3,426,186
Meat Trust	\$12,155,692	\$30,010,862	\$29,580,344	\$12,586,209
Poultry Trust	\$20,406,602	\$81,760,113	\$80,801,707	\$21,365,008

Fiscal Year 2025 User Fees

AMS implemented new user fee rates for voluntary grading, certification, and auditing services in Fiscal Year 2026. Effective October 1, 2025, user fees increased 6.3% for meat grading, 6.3% for poultry grading, and unchanged for auditing services. While QAD's plan is to have incremental annual increases and employ cost-saving measures where possible, QAD must also balance this intention with rising operational costs and continued strong demand for service. To ensure our programs have the resources to meet customer needs, AMS conducts cost-based analyses for its fee-for-service programs and announces the rates in the Federal Register each Spring for the following Fiscal Year.

Thank you for giving QAD the opportunity to support your marketing efforts with our grading, certification, and verification services. We are committed to providing you with unparalleled service and appreciate our strong partnership with you and all our partners in the agriculture industry.

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RESOURCES AND COMMUNICATIONS

For information about AMS programs and services, visit our website at:

www.ams.usda.gov. You can also find [Infographics](#), [Fact Sheets](#), and [USDA grade marks/shields](#) on the [AMS website](#).

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