In regards to the proposed QAD changes for instrument approval, instrument approval, and continual monitoring JBS USA Fed Beef division would like to make the following comments. We understand that the original approval and monitoring has not been updated for a version, but there are some concerns with the methodology behind some of these proposed changes.

Our biggest concern on all approval processes for an instrument install and new devices is how we are going to compare to the Gold Standard team. Are we planning on using the exact team for all devices and all packers? If not, there could be a difference in line that is being approved for each device and/or facility install. We also believe that three members of the gold standard team is not enough to truly represent the line graders across the US. We proposed it should be the entire gold standard and standards team of nine experts to give us a better representation. This would also allow for more data points and a better mean to compare the R-square value against. In the proposal it states that if one gold standard member is off 30 points to the mean, they will be thrown out and we in turn are left with two graders evaluations. We also believe that there should be a comparison to line graders or non-members of the gold standard team, to better represent a chain line seen in all facilities, versus a correlated line. Will new devices be compared against the current line or to the original line established and modified in 2006?

We also believe that the 7L software update should not have to go through the approval proposed approval process. The industry has paid for these devices and to the industry's knowledge we have not seen any differences between the readings when comparing GIGE and 7L software.

Some of the requirements for REA are unrealistic and would be very difficult to accomplish to the accuracy level the proposal is looking for.

In continual monitoring proposal. Section 5.2.4 states "If predicted values do not match known values, AMS will notify the plant that it will have to move to traditional grading until it can show that the software has not been altered from that which was approved." How would we show you or the line graders at the plant that we have not modified our software? Can you give more detail on this point.

Working with multiple companies that are developing different instrument grading technologies, there is frustration with the dragging out of the approval of new devices. E+V is the only approved provider today, and we believe that we are slowing down the progression of these instruments improving by not allowing companies to be approved on the old process.

Lastly, we in the industry believe that there should be more input from USDA and industry representation to hash these items out to where there is an understanding and common ground. We look forward to seeing the updated approval.

On behalf of JBS USA Fed Beef Division.

Clint Dallas

Corporate Grading Manager