

## Consensus Recommendations of Wholesale Pork MPR Committee

*Note: Includes only items that are not part of the agreed consensus published rule*

1. In order to minimize market disruptions and insure the accuracy of reporting, implement a 12 month 'transition' period using the following methodology:
  - a. Continue current voluntary reporting methodology until 12 months after the commencement of mandatory reporting
    - i. Strongly encourage sellers and buyers to continue current voluntary reporting behaviors
  - b. Once daily mandatory reporting commences, 'beta test' the system for 12 months
  - c. Release mandatory data publicly each Monday for the previous week
    - i. Release it in a different location than other USDA reports in order to reduce confusion
2. Publish a daily USDA National Negotiated Carlot Pork Report using the following criteria:
  - a. Produce two reports
    - i. FOB Omaha
    - ii. FOB Plant
  - b. Include only Negotiated sales type
  - c. Include only domestic and NAFTA trades; exclude Export/Overseas trades
  - d. Include product specifications as determined by AMS, using judgment similar to current methodology for balancing the need for market liquidity with the requirement to have comparison and consistency
  - e. Include all branded and non-branded product
  - f. Include all packer to packer sales
  - g. Exclude Specialty Pork Products
  - h. Exclude intra-company sales (these should already be excluded in the rule)
  - i. Exclude 'distressed' product
  - j. For a trade to be included in the published top or bottom side, it should meet minimum volume requirements (to be determined by AMS in consultation with the industry) if it is outside of the range of prior day publication (very consistent with current practice)
    - i. Note: all trades meeting the other requirements of this section shall be included in the weighted average regardless of size
  - k. Within each report (FOB Omaha and FOB Plant), publish a daily National Pork Carcass Cutout by primal and for the entire carcass
    - i. Utilize weighted average prices
    - ii. Utilize yield and packaging cost data which shall be proactively solicited from packers on an annual basis
      1. Implement new yield information on the mandatory report immediately from start of 'beta test'
      2. Do not implement new yield information into voluntary system as it will further complicate comparison of mandatory to voluntary

- iii. Provide load volume information, as per current methodology
3. As soon as resources become available, provide a weekly national comprehensive wholesale pork report which should generally resemble the LM\_XB463 and LM\_XB459 boxed beef reports and include the following specific recommendations:
  - a. Primal values, carcass cutout values and volumes for the following fresh wholesale pork categories (barrow/gilt only):
    - i. Comprehensive (including all trades)
    - ii. Domestic
    - iii. NAFTA
    - iv. Overseas/Export (on FOB Plant basis)
    - v. Formula, similar to LM\_XB454 for boxed beef
    - vi. Forward Contract (less than 61 days)
    - vii. Forward Contract (61 days and over)
    - viii. Specialty Pork Products, similar to LM\_XB452 for boxed beef
4. "Refrigeration Code" on the reporting form shall be kept current by AMS using industry standards. Initially the Refrigeration Codes shall be as follows:
  - a. 0-6 Fresh, Combo
  - b. 7+ Fresh, Combo
  - c. 0-10 Fresh, Boxed
  - d. 11+ Fresh, Boxed
  - e. Frozen
5. "Delivery Period Code" on the reporting form shall be kept current by AMS using industry standards. Initially the Delivery Period Codes shall be as follows:
  - a. 0-14 Days Box
  - b. 15-60 Days Box
  - c. 61 Days/Up Box
  - d. 0-10 Days Combo
  - e. 11-60 Days Combo
  - f. 61 Days/Up Combo