

## **Section 5 – Actions to be Undertaken**

GIPSA has taken or will take the following actions to improve packers' accuracy in reporting captive supply to the Agency, to enhance the Agency's reporting of that information to the public, and to facilitate the public's understanding of the reported information. These actions fall under several broad categories.

### **Definition of Captive Supply and Related Procurement and Pricing Methods**

- GIPSA has defined captive supply and will publish the definition in the *Federal Register*.

The debate and discussion surrounding captive supply has focused on the use and effects of captive supply, but relatively little attention has been paid to the fundamental issue of defining and measuring the many different procurement methods and pricing methods packers use to obtain cattle. This report clarifies the distinctions among several data series regarded as measures of captive supply, including those reported by GIPSA and by AMS.

### **Improved Data Collection**

Prior to the mandate from Congress to produce this report, GIPSA had begun revising its packer annual report forms. GIPSA will complete the revisions, which will include revisions of the sections on reporting of livestock purchases by various procurement methods. GIPSA's current reporting form (P&SP-125, see figure 1) is being revised to more clearly and accurately define and identify the wide variety of procurement methods.

- GIPSA is developing a new Packer Annual Report form that will clarify reporting definitions for the various types of procurement methods by which it measures captive supply.
- GIPSA will clarify current reporting requirements and will work closely with packers to ensure more accurate reporting until the new Packer Annual Report form is implemented.

### **Improved GIPSA Auditing and Reporting of Procurement Information**

GIPSA will improve its auditing and reporting of procurement information in its annual Packers and Stockyards Statistical Report and in other public releases by including additional information on the various procurement methods which underlie GIPSA's captive supply statistics.

- GIPSA will audit packer's annual reports to GIPSA, including the information on which GIPSA computes its captive supply statistics. In conducting the audits, GIPSA

will examine the data used to prepare the annual report submission, and how transactions have been categorized in the data in the audited annual report.

- GIPSA will report forward contracted and marketing agreement cattle separately, consistent with applicable confidentiality restrictions.
- GIPSA will report the number of head in addition to percentages, and monthly and regional figures in addition to the annual national figures currently reported, consistent with applicable confidentiality restrictions.