



NEWS RELEASE

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GIPSA PROPOSAL DEEPLY FLAWED

OAKLAND, CA – USDA’s Grain Inspection, Packers and Stockyards Administration (GIPSA) today announced a sweeping new proposal that would upset the market and business relationships of small and independent packer-processors nationwide.

Among the many proposed changes, packers would be banned from selling livestock to other packers, producers would not have to prove competitive harm to make anticompetitive allegations and private contracts would be made public on GIPSA’s website as soon as 10 days after the terms had been settled. These are restrictions and criteria that could stifle normal business operations, have been rejected by Federal courts and are contrary to a free and open market.

“Many of the proposed changes appear to be in response to unsubstantiated concerns while ignoring the results of industry and congressionally mandated studies. Under the guise of balance and transparency, it will cause upheaval and confusion while increasing the costs to the entire market chain. It’s going to have the opposite impact of what is intended,” said NMA CEO Barry Carpenter. “NMA has already called upon GIPSA to provide proof that the complaints the Agency referenced in the proposal as the basis for change have any validity.”

National Meat Association is a non-profit trade association. Since 1946, NMA has represented meat packers and processors, equipment manufacturers and food suppliers who provide services to the meat industry. The association has members throughout the United States, as well as in Canada, Australia and Mexico.