

Supporting Statement – Part A

**COLD STORAGE**

OMB No. 0535-0001

**TERMS OF CLEARANCE**

“In accordance with 5 CFR 1320, the information collection is approved for a period of two years. Upon resubmission, the agency should provide assess whether their effort to improve response rates for survey of juice storage facilities have been successful. The agency should also make an effort, especially in the case of juice storage, to evaluate non-response bias.” (03/28/05)

As shown in this Cold Storage Surveys response rate table from Part B.1 of the supporting statement, staff efforts to increase the juice storage response rate have had notable success since last submission: 24.5 percent response in 2004 up to 79.2 percent in 2006.

Cold Storage Response Rates										
Survey	Question -naire ID	No. of State s	Universe	Sample Size	Freq	Response Rate %				
						'02	'03	'04	'05	'06
Cold Storagee	080056	44	1.400	1.400	12	74.5	74.3	68.7	69.0	69.3
Fruit Storagee	080057	4	170	170	8	89.0	n/a*	n/a*	n/a*	83.5
Apple and Pear	200570	6	100	100	12	82.2	78.9	85.0	80.6	81.3
Juice Storagee	080058	2	100	100	12	30.8	28.0	24.5	47.7	79.2
Refrigerated Capacitv	080060	44	2.200	2.200	0.5		93.9		72.2	

\* Previously reported data in these years were in error; the 2006 rate is correct.

Although agricultural business-type surveys such as the cold storage present challenges in terms of gaining cooperation and measuring bias, NASS has made extensive efforts the past 3 years to contact and convert non-respondents. All NASS Field Office Directors have been instructed to personally visit non-respondents in an effort to gain cooperation and establish profiles of each operation. Some success has been realized to date as evidenced by the increase in response for juice storage facilities. Current additional efforts to gain response will continue as Cold Storage reports are vital to National Security.

In addition, a task force has been reviewing the cold storage program for over a year with the goal of standardizing questionnaires, data collection, summarization, and estimation. They will also be looking for ways to try to improve response rates, which will help reduce potential non-response bias.

Agency efforts to address non-response bias in a systematic way have begun with the most complex survey NASS conducts, the Agricultural Resource Management Survey (ARMS) (OMB No. 0535-0218), which has many data variables that can be compared with the Census of Agriculture (OMB No. 0535-0226). Preliminary results have been informative and investigation of non-response bias measures is continuing (a second report will be forthcoming in early 2008). NASS views non-response bias analysis as an iterative process, each information collection analysis contributing to the next, with the ARMS surveys as the first step. Plans for the rest of NASS surveys with response rates below 80 percent will follow.

## **A. JUSTIFICATION**

This submission is a request for approval of this long-running information collection for 3 years. As yet, there are no substantive changes in the survey program. We have changed the way in which we show the respondent burden in item 12 of this report by separating the surveys that have mandatory reporting from those that remain voluntary reporting.

### **1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The National Agricultural Statistics Service's primary function is to prepare and issue State and national estimates of crop and livestock production, value, and disposition. In this capacity the Agency also prepares a number of associated estimates affecting the agriculture industry, such as this Cold Storage report. This monthly survey provides information on national supplies of food in refrigerated storage facilities. A biennial survey of refrigerated warehouses is also conducted to provide a benchmark of the capacity available for refrigerated storage of the nation's food supply.

Providing information on national supplies of food in refrigerated storage facilities has been the responsibility of the Department of Agriculture since 1914. This service is the outcome of an investigation made by the Department in 1911, in response to allegations that food warehouses were being used by food speculators to "corner the market" and drive up prices paid by consumers. The Secretary recommended that the public should know the amounts of foods in warehouses and that the Department should issue periodic reports on a pre-announced day and time.

General authority for these data collection activities is granted under U.S. Code Title 7, Section 2204 ([attachment A](#)). This statute specifies that "The Secretary of Agriculture shall procure and preserve all information concerning agriculture which he can obtain ... by the collection of statistics ... and shall distribute them among agriculturists."

### **2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The monthly Cold Storage reports include inventory statistics for approximately 100 food items held in public, private, and semi-private refrigerated warehouses. USDA agencies such as the World Agricultural Outlook Board, Economic Research Service, and Agricultural Marketing Service use information from the Cold Storage report in setting and administering government commodity programs and in supply and demand analysis. Included in the report are stocks of pork bellies, frozen orange juice concentrate, butter, and cheese which are traded on the Chicago Board of Trade.

The stocks figures in the Cold Storage reports are used by food processors, food brokers, and farmers in making production, marketing, and pricing decisions. The availability of this data results in the production and marketing of products in a more efficient and orderly fashion, which in turn helps to stabilize prices. The warehouse industry uses the published data to learn what portion of total food storage is in public space and the occupancy level of cooler and freezer rooms. The stocks numbers are also used by industry analysts, transportation companies, insurance adjustors, banks, and other lending institutions as they service the refrigerated warehouse and food service industries. The monthly *Cold Storage* report is placed in a Civil Defense file to be available as part of the country's preparedness file in case of national emergency.

Information from the biennial *Capacity of Refrigerated Warehouses* report is used by warehousemen, food processors, and Government agencies such as the Farm Service Agency and Environmental Protection Agency to determine the number of plants and the amount of refrigerated space on a State and national basis.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

Nearly all of NASS information collections have been converted to Web-based data collection, what NASS calls electronic data reporting or EDR. The survey instruments that have not been converted are too infrequent or too impractical to use that mode of data collection.

The monthly Cold Storage survey was the first NASS survey to be converted, using a hard-coded program to run the EDR; it is being re-worked, to be part of the eventually-adopted system, the Questionnaire Repository System (QRS), which creates EDR and matching paper questionnaires from the same parameters. The survey currently uses primarily e-mail to obtain data; about 6 companies representing 125 firms query their databases for the information asked for on the questionnaire and then send in the spreadsheet (Excel) or text file to NASS via e-mail. The files are reformatted and appended to the regular keyed data file. With hundreds of firms/branches being asked for data on 100 items, this spreadsheet-based method is the most efficient. Approximately 9 percent of responses are received this way but they account for 60 percent of total tonnage.

Two other surveys in this information collection were converted to the Web: monthly Fruit Storage inquiry and monthly Juice Storage inquiry. Neither has had any respondents.

The main portal for our on-line surveys is <http://www.agcounts.usda.gov>. Once there, the respondents have to enter the valid survey code and their own user ID printed on the label of the questionnaire mailed to them. We do not want anyone other than a selected respondent to access the survey Web pages.

**4. Describe efforts to identify duplication.**

The National Agricultural Statistics Service cooperates with State Departments of Agriculture and land grant universities to conduct agricultural surveys. These surveys meet both State and Federal needs, thus eliminating duplication and minimizing reporting burden on the agricultural industry.

**5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.**

New York State has a mandatory reporting requirement for licensed warehouses and data collected by the New York Director of Agricultural Statistics are made available for the Federal program. Agreements in Connecticut, Massachusetts, Pennsylvania, Michigan, and Washington cover the collection of data on fresh apples in storage. Also, where possible, apple stocks from the United States Apple Association are used. This ensures comprehensive coverage, and reduces the multiplicity of reports asked of the industry. With the exception of apples in the above-mentioned States and the New York program, data collected on this survey are not available from any other source.

**6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

Collecting data less frequently reduces the value of the information to data users. A majority of the items have certain times when there is heavy movement into and out of storage and these movements are important to track. Data collection is timed to coincide with the availability of the respondent's monthly inventory report and requires a minimum of additional effort.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner requiring respondents to report information to the agency more often than quarterly; requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;...**

Survey data is collected monthly and biennially depending on the need for information to keep the U.S. Department of Agriculture abreast of changes at the State and national level. Timing and frequency of the surveys have evolved to meet the needs of producers, facilities, agribusinesses, and government agencies.

**8. Provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments.**

The Federal Register Notice soliciting comments (**attachment B**) was published on December 1, 2006 on page 69535. One public comment was received which did not require a response.

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

The following trade associations are consulted regarding the Cold Storage Survey:

American Frozen Food Institute  
1764 Old Meadow Lane  
McLean, Virginia 22102

Poultry and Egg Institute  
29 East Madison Street  
Chicago, Illinois

American Meat Institute  
1700 North Moore Street  
Arlington, Virginia

United States Apple Association  
P.O. Box 1137  
McLean, Virginia 22101

International Association of  
Refrigerated Warehouses  
7315 Wisconsin Avenue  
Bethesda, Maryland 20814

**9. Explain any decision to provide any payment or gift to respondents.**

There are no payments or gifts to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

All questionnaires include a statement that individual reports are kept confidential. U.S. Code Title 18, Section 1905 and U.S. Code Title 7, Section 2276 (attachment B) provide for the confidentiality of reported information. All employees of NASS and all enumerators hired and supervised under a cooperative agreement with the National Association of State Departments of Agriculture must read the regulations and sign a statement of compliance. (Privacy Impact Statement is attachment C.)

For those facilities which store butter or cheese, response to the dairy products Cold Storage Report is **mandatory** and subject to verification by the Agricultural Marketing Service under **Public Law No. 106-532 (Attachment D)**. This law specifically protects the confidentiality of the operators data from public disclosure, except as directed by the US Secretary of Agriculture or the US Attorney General for enforcement purposes to ensure compliance with the Dairy Product Mandatory Reporting program.

**11. Provide additional justification for any questions of a sensitive nature.**

There are no questions of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information. The statement should indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.**

Average response time is based on time required for a telephone enumerator to complete a questionnaire over the phone plus an allowance for time to obtain needed information from daily operating records. Total hours of burden is based on the calculations below.

Projected Cold Storage Response Burden for 2007											
Survey	Sample Size	Freq	Responses				Non-response				Total Burden Hours
			Resp. Count	Freq x Count	Min./Resp.	Burden Hours	Nonresp Count	Freq. x Count	Min./Nonr	Burden Hours	
<b>Voluntary Surveys</b>											
Cold Storage	1,000	12	660	7,920	30	3,960	340	4,080	1	68	4,028
Fruit Storage	120	8	100	800	15	200	20	160	1	3	203
Apple and Pear	100	12	80	960	10	160	20	240	1	4	164

Juice Storage	100	12	80	960	15	240	20	240	1	4	244
Refrigerated Capacity*	2,700	0.5	1,900	950	15	238	800	400	1	7	245
<b>Voluntary Subtotal</b>	4,020			11,590		4,798	1,200	5,120		86	4,884
<b>Frequency</b>				2,8830				4,2666			
<b>Mandatory Survey</b>											
Cold Storage	300	12	300	3,600	30	1,800	0	0		0	1,800
<b>Mandatory Subtotal</b>	300			3,600		1,800		0		0	1,800
<b>Frequency</b>				12				0			
<b>Total</b>	4,320			15,190		6,598		5,120		86	6,684

\* Conducted every odd year : 2007, 2009, etc.

Cost to the public of completing the questionnaires is assumed to be comparable to the hourly rate of those requesting the data. Reporting time of 6,684 hours are multiplied by \$24 per hour for a total cost to the public of \$160,416.

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.**

There is no cost burden to respondents.

**14. Provide estimates of annualized cost to the Federal government; provide a description of the method used to estimate cost which should include quantification of hours, operational expenses (equipment, overhead, printing, and staff), and any other expense that would not have been incurred without this collection of information.**

The total cost to the Federal government for the Cold Storage Surveys is approximately \$600,000. About 95 percent of that is staff cost for data collection and the remainder is out-of-pocket cost.

**15. Explain the reasons for any program changes or adjustments (reasons for changes in burden).**

The new burden hour total of 6,684 is 343 hours more than the current inventory of 6,341 hours. This is an adjustment to the sample sizes of the monthly Cold Storage Survey and the Refrigerated Capacity Survey that reflects recent updates in our list frame for each list: (1) the clean up of out-of-business and non-qualifying respondents for the monthly Cold Storage dropped universe size from 1,400 to 1,300 (done 12 times a year) and (2) the increased coverage on the Capacity Survey raised universe size from 2,200 to 2,700 (done every other year).

Operations that store butter or cheese are required by law Public Laws 106-532 and 107-171 to provide this information on a monthly basis. We have separated these from the voluntary respondents in the burden calculation table.

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

Cold storage, fruit storage, juice storage, and apple and pear storage questionnaires are mailed about the 24th of each month. Each response is compared with the response on the previous month's questionnaire for completeness and accuracy. Sharp changes are

investigated for possible reporting or copying errors. Estimates are made for missing reports based on monthly changes for firms reporting. The historical relationships of commodities are also used in making these estimates.

The *Cold Storage* report provides stocks data for approximately 100 items. National totals are provided for all food items and regional totals for many items. The *Cold Storage* report is issued about the 20th of each month.

The Refrigerated Storage Capacity Survey is conducted October 1 of every odd year to determine the number of plants and the amount of refrigerated space on a State and national basis. The *Capacity of Refrigerated Warehouses* summary report is issued the following January.

These publications are available on-line immediately after release at [http://www.nass.usda.gov/Publications/Reports\\_by\\_Title/index.asp](http://www.nass.usda.gov/Publications/Reports_by_Title/index.asp). Select letter "C" reports and then "Cold Storage."

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

There is no request for approval of non-display of the expiration date.

**18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions" of OMB Form 83-I.**

There are no exceptions to the certification statement.

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