

**2007 SUPPORTING STATEMENT
for
POULTRY MARKET NEWS REPORT
OMB NO. 0581-0033**

A. Justification.

1. EXPLAIN THE CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY. IDENTIFY ANY LEGAL OR ADMINISTRATIVE REQUIREMENTS THAT NECESSITATE THE COLLECTION.

Approval is requested under the Paperwork Reduction Act and 5 CFR part 1320 for the collection of information by Poultry Programs Market News Branch, and Form PY-90.

The mission of Market News is to provide current, unbiased, factual information to all members of the Nation's agricultural industry, from farmers to retailers. This information depicts current conditions on supply, demand, price, trend, movement, and other pertinent information affecting the trade in poultry and eggs, and their respective products. In order to accomplish this mission, Market News observes, records, analyzes, and reports trading of poultry and eggs at various levels in the marketplace. Market reports assist producer-processors in their long and short-term planning, and help promote orderly marketing by placing buyers and sellers on a more equal bargaining basis. Although Market News does not interfere with the operation of the markets, its reports may influence market-related decisions.

The Agricultural Marketing Act of 1946, 7 U.S.C. 1622 Sec. 203 (g) and (j), under which marketing services were consolidated, contains this statement of duties concerning market news activities "...to collect and disseminate marketing information..." and "...to collect, tabulate, and disseminate statistics on marketing agricultural products, including, but not restricted to statistics on marketing supplies, storage, stocks, quantity, quality, and condition of such products in various positions in the marketing channel, utilization of such products, and shipments and unloads thereof."

Congress authorized the collection of marketing information and approved a program for the development of Federal-State Market News Services. The authority for the data collections can be found in 7 U.S.C. 1622 Sec. 203 (g), which states that the "Secretary of Agriculture is directed and authorized to collect and disseminate marketing information, including adequate outlook

information on a market-area basis, for the purpose of anticipating and meeting consumer requirements, aiding in the maintenance of farm income, and bringing about a balance between production and utilization of agricultural products." Also see 7 U.S.C. 1622 Sec. 203(b) and (k). It is the intent of Congress to aid the distribution of agricultural products through market services, which are to help improve marketing methods and facilities. Additionally, Congress wanted to provide "market news" to the American producer. Market information is regarded as in the public interest.

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.

Market information helps level the playing field for all industry members and facilitates an efficient marketing system by helping buyers and sellers make informed marketing decisions. This keeps products flowing to markets where and when they are needed - to the ultimate benefit of the consumer. In addition, agricultural analysts can make informed projections about production, marketing, and price levels. Information is used by the private sector to make economic decisions to establish market values for application in contracts or settlement value, and to address specific concerns or issues related to trade agreements and disputes. Various agricultural industries continue to identify and modify their needs for market information, and regularly request market news services or enhancement of services offered to meet those needs.

Government agencies such as the Foreign Agricultural Service, Economic Research Service, and the National Agricultural Statistics Service, use market news data in the performance of their missions. Market News report information aids these government agencies in tracking prices, wages, and productivity, and serve as indicators of economic activity. Market news information is contained in published reports distributed by other government agencies; for example, the "Situation and Outlook" reports by the Economic Research Service. The poultry and egg industries use the data to help understand current and past market activities in order to determine future production and marketing trends and projections. Users of market news data in the private sector includes producers or farmers, processors and distributors, retailers, restaurants and institutions, consultants, brokers, forecasters, transportation and financial institutions.

Additionally, educational institutions, specifically, agricultural colleges and universities use market news information. The absence of these data would deny primary and secondary users information that otherwise would be unavailable to aid them in their production and marketing decisions, analyses, research and knowledge of current market conditions. The omission of these data could adversely affect prices, supply, and demand.

Form submitted under this request:

PY-90: Monthly Dried Egg Solids Stocks Report - Data is collected by market news from commercial dried egg products plants throughout the U.S. Market news reporters collect the information primarily via facsimile transmissions and occasionally via email. The information is then assembled, summarized, and disseminated monthly to interested parties by subscription, automatic telephone answering devices, newspaper, radio, and computer. The monthly release includes total pounds of egg products, by class, in cooperating firms' possession at the close of the inventory month, and a percentage change from the previous month and previous year. The release of the summarized information is used by industry as an aid to make knowledgeable marketing decisions. Data collection for the Monthly Dried Egg Solids Stocks report provides information on stocks on hand of dried egg solids. Stock levels on hand may have a substantial bearing on prices and output of both processed and shell eggs, since dried egg solids may be stored for relatively long periods of time. The collection of information specific to OMB's request helps to keep the marketing channels filled, but not overflowing, preventing unnecessary shortages.

- 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 REPOSSES, AND THE BASIS FOR THE DECISION FOR ADOPTING THIS MEANS OF COLLECTION. ALSO DESCRIBE ANY CONSIDERATION OF USING INFORMATION TECHNOLOGY TO REDUCE BURDEN.**

Information for many statistical reports is received by electronic mail and facsimile transmission. These delivery methods are more timely and offer improved efficiency. Statistical reports usually contain data which customers have on-hand for their internal recordkeeping as part of their ongoing

business practice.

Market News currently offers the ability to submit data and transact with Market News electronically via e-mail. Electronic submission by means other than e-mail and facsimile are not available. Data is collected through unstructured telephone interviews or free-form industry data sheets. No standard form is used; therefore, no electronic forms can be created. At this time, only 1 of 10 respondents for form PY-90 supply information via e-mail.

In conjunction with the Agency, Market News developed a web site on the Internet (<http://www.ams.usda.gov/poultry/pymn.htm>) where access to market reports is continual and free of charge. Market News also offers a subscription service to market news reports through Cornell University. Once a user has registered to receive specific reports, the reports are e-mailed to the user upon release at no charge.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION. SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSE(S) DESCRIBED IN ITEM 2 ABOVE.

Market News representatives are in constant contact with members of the egg and poultry industries who provide the market information used in reports. These individuals and industry trade association officials are contacted regularly in an attempt to avoid a duplication of requests for information. These individuals would be readily aware if this type of information was available since it directly affects their business and marketing decisions. Similar information is not available that can be used or modified.

5. IF THE COLLECTION OF INFORMATION IMPACTS SMALL BUSINESSES OR OTHER SMALL ENTITIES (ITEM 5 OF THE OMB FORM 83-1), DESCRIBE THE METHODS USED TO MINIMIZE BURDEN.

Collection of the information requested by Market News does not present any additional effort on the part of small businesses or other small entities as this information is assembled and maintained by these entities as part of their standard, ongoing business practice for internal recordkeeping.

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.

Less frequent collection of data would not meet the demand by industry and public users of this information. Industry participants are provided with up-to-date information on the movement of product and the amount of product in storage on a current basis, so that necessary adjustments in product flow can be made accordingly. Decreased collection would result in "stale" data and would be of little or no use to industry and public concerns. There are no technical or legal obstacles to reducing burden.

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;**
- **REQUIRING RESPONDENTS TO SUBMIT MORE THAN AN ORIGINAL AND TWO COPIES OF ANY DOCUMENT;**
- **REQUIRING RESPONDENTS TO RETAIN RECORDS, OTHER THAN HEALTH, MEDICAL, GOVERNMENT CONTRACT, GRANT-IN-AID, OR TAX RECORDS FOR MORE THAN 3 YEARS;**
- **IN CONNECTION WITH A STATISTICAL SURVEY, THAT IS NOT DESIGNED TO PRODUCE VALID AND RELIABLE RESULTS THAT CAN BE GENERALIZED TO THE UNIVERSE OF STUDY;**
- **REQUIRING THE USE OF A STATISTICAL DATA CLASSIFICATION THAT HAS NOT BEEN REVIEWED AND APPROVED BY OMB;**
- **THAT INCLUDES A PLEDGE OF CONFIDENTIALITY THAT IS NOT SUPPORTED BY AUTHORITY ESTABLISHED IN STATUE OR REGULATION, THAT IS NOT SUPPORTED BY DISCLOSURE AND DATA SECURITY POLICIES THAT ARE CONSISTENT WITH THE PLEDGE, OR WHICH UNNECESSARILY IMPEDES SHARING OF DATA WITH OTHER AGENCIES FOR COMPATIBLE CONFIDENTIAL USE; OR**
- **REQUIRING RESPONDENTS TO SUBMIT PROPRIETARY TRADE SECRET, OR OTHER CONFIDENTIAL INFORMATION UNLESS THE AGENCY CAN DEMONSTRATE THAT IT HAS INSTITUTED PROCEDURES TO PROTECT THE INFORMATION'S CONFIDENTIALITY TO THE EXTENT PREMITTED BY LAW.**

Current release times for market reports are consistent with the demand for the reports, that is, when the information is most useful to the user. Also, reports are disseminated when information is available. Information released on a quarterly basis would not be effective in providing information to the public when needed. Market changes occur daily; therefore, quarterly reports would not provide timely information. While that information might be useful for historical significance, the public's demand for information on current conditions of trade would not be met.

There are no special circumstances that would require respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of the information.

8. IF APPLICABLE, 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. SPECIFICALLY ADDRESS COMMENTS RECEIVED ON COST AND HOUR BURDEN.

The Agency published the notice of information collection and request for comments in the Federal Register on October 17, 2006, Volume 71, Number 200, page 61016. One comment was received. The commenter stated that poultry industry rather than taxpayers should pay for surveys such as these. The commenter further took issue with the poultry industry hiring illegal immigrants, taxpayer support of illegal immigrants, the living conditions of chickens, and requested that USDA be investigated because it was full of Washington bureaucrats. No action was taken in response to this comment because it was outside of the scope of this request and did not address the cost or burden on the respondents subject to this information collection.

DESCRIBE EFFORTS TO CONSULT WITH PERSONS OUTSIDE THE AGENCY TO OBTAIN THEIR VIEWS ON THE AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, THE CLARITY OF INSTRUCTION AND RECORDKEEPING, DISCLOSURE, OR REPORTING FORMAT (IF ANY), AND ON THE DATA ELEMENTS TO BE RECORDED, DISCLOSED OR REPORTED.

Market News works closely with industry trade organizations to provide useful information. Market News attends meetings of trade organizations including United Egg Producers, National

Turkey Federation, National Chicken Council, and the U.S. Poultry and Egg Export Council. Participation of Market News at these meetings often results in changes, revisions and updates to market reports as a result of feedback received.

National Turkey Federation

1225 New York Avenue, NW

Suite 400

Washington, DC 20005

202/898-0100

Mr. Stuart Proctor

National Chicken Council

1015 15th Street, NW

Suite 930

Washington, D.C. 20005

202/296-2622

Mr. George Watts

United Egg Producers

1720 Windward Concourse, Suite 230

Alpharetta, GA 30005

770/360-9220

Mr. Albert E. Pope

Market News is in frequent contact with representatives of other government agencies and officials of the poultry and egg industries, who rely on market news data. Various Federal and State agencies are consulted with regards to the various aspects of data collection, availability, frequency, recordkeeping, disclosure, and reporting format. These agencies include the Economic Research Service, National Agricultural Statistics Service, Foreign Agriculture Service, and various State Departments of Agriculture. Market News is in the early stages of developing a survey instrument to be used to obtain input from users of Market News information.

CONSULTATION WITH REPRESENTATIVES OF THOSE FROM WHOM INFORMATION IS TO BE OBTAINED OR THOSE WHO MUST COMPILE RECORDS SHOULD OCCUR AT LEAST ONCE EVERY 3 YEARS - EVEN IF THE COLLECTION OF INFORMATION ACTIVITY IS THE SAME AS IN PRIOR PERIODS. THERE MAY BE CIRCUMSTANCES THAT MAY PRECLUDE CONSULTATION IN A SPECIFIC SITUATION. THESE CIRCUMSTANCES SHOULD BE EXPLAINED.

There are no present circumstances that preclude consultation at least every 3 years with representatives from whom information is obtained.

9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN REMUNERATION OF CONTRACTORS OR GRANTEES.

Market News does not provide any payment or gift to respondents for compensation of their time or information.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS AND THE BASIS FOR THE ASSURANCE IN STATUTE, REGULATION, OR AGENCY POLICY.

Market News policy is to exercise confidentiality of individuals' and firms' proprietary trade information. Information provided by individual firms is combined with that from other firms before being issued in a report. Firms contacted by Market News respond voluntarily with complete confidence that their information will not be used in any way that would disclose their individual operations. This ensures individuals that their confidential trade information will not be identified. Jeopardizing confidentiality would taint the reputation of Market News. Information collected by Market News is handled responsibly in accordance with Market News policy.

11. PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS FOR A SENSITIVE NATURE, SUCH AS SEXUAL BEHAVIOR AND ATTITUDES, RELIGIOUS BELIEFS, AND OTHER MATTERS THAT ARE COMMONLY CONSIDERED PRIVATE.

Questions of a sensitive nature as suggested are not asked.

12. PROVIDE ESTIMATES OF THE HOUR BURDEN OF THE COLLECTION OF INFORMATION.

The respondents' estimated annual cost is \$221,064. This total has been estimated by multiplying 18,422 (total burden hours) by \$12.00. The \$12.00 per hour figure represents an estimated per hour cost for clerical duties of filing records. This hourly wage was obtained from the U.S. Department of Labor Statistic's publication, "National Compensation Survey: Occupational Wages in the United States, June 2005", published August 2006 (Bulletin 2581). This publication can also be found at the following website: <http://www.bls.gov/ncs/ocs/sp/ncbl0832.pdf>.

See attached AMS Form-71.

13. PROVIDE AN ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO

RESPONDENTS OR RECORDKEEPERS RESULTING FROM THE COLLECTION OF INFORMATION.

There are no start-up cost burdens to respondents not included in items 12 and 14.

14. PROVIDE ESTIMATES OF ANNUALIZED COST TO THE FEDERAL GOVERNMENT. ALSO, PROVIDE A DESCRIPTION OF THE METHOD USED TO ESTIMATE COST, WHICH WOULD INCLUDE QUANTIFICATION OF HOURS, OPERATION EXPENSES (SUCH AS EQUIPMENT, OVERHEAD, PRINTING, AND SUPPORT STAFF), AND ANY OTHER EXPENSE THAT WOULD NOT HAVE BEEN INCURRED WITHOUT THIS COLLECTION OF INFORMATION.

The estimated annual cost to the Federal Government, which includes salaries, benefits, travel, communication, supplies, etc., to administer this regulation is \$7,022.40. The cost was developed by estimating the number of hours that the Agency employees will spend providing oversight and assistance for the administration, preparation of all stages of rulemaking, from the recommendation to the proposed and final rule, as well as in the preparation of this information collection package (240 hours) at approximately \$29.26 per hour.

15. EXPLAIN THE REASON FOR ANY PROGRAM CHANGES OR ADJUSTMENTS REPORTED IN ITEMS 13 OR 14 OF THE OMB FORM 83-1.

An increase in the number of respondents from 1,700 to 1,775 has resulted in an increase of 75 burden hours burden associated with this information collection.

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.

There are no plans to publish any information or data collected.

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.

Market News is seeking approval not to display the expiration

date on the form associated with this information collection. The Market News office in Atlanta, Georgia reproduces the form locally and distributes the form to respondents on a monthly basis. The display of the expiration date on the form leads to some confusion on the part of the respondents.

18. EXPLAIN EACH EXCEPTION TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19, "CERTIFICATION FOR PAPERWORK REDUCTION ACT SUBMISSIONS," OF OMB FORM 83-1.

There are no exceptions to the certification statement identified in item 19.

Date: December 14, 2006 Version No. 1