

USDA Proposes Changes to Regulations Governing Poultry Contracts

WASHINGTON, Aug. 1, 2007 - The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) today proposed changes to regulations governing poultry contracts. The proposed amendments require that poultry companies deliver a copy of an offered contract to growers in a timely manner.

"The recommended requirements will help both growers and poultry companies by providing clear, thorough information at the start of the contracting process," said GIPSA Administrator James Link.

Contracts must include:

- Information on grower performance improvement plans, if they exist;
- Provisions requiring written termination notices; and
- Provisions allowing growers to discuss the terms of contracts with designated individuals.

GIPSA believes that failure to disclose certain contract terms is unfair, discriminatory and deceptive in violation of the Packers and Stockyards (P&S) Act of 1921.

The proposed changes were published in the August 1 *Federal Register*. Additional information is available in GIPSA's *Federal Register* notice at <http://archive.gipsa.usda.gov/rulemaking/fr07/8-1-07.pdf>. All interested parties are invited to submit comments on this proposal. GIPSA will consider comments received by Oct. 30, 2007. Comments can be submitted by e-mail to comments.gipsa@usda.gov; regular mail, courier or hand delivery to Tess Butler, GIPSA, USDA, 1400 Independence Avenue, SW, Room 1647-S, Washington, DC 20250-3604; by fax to (202) 690-2755 or via the Federal eRulemaking Portal at www.regulations.gov.

The Packers and Stockyards Act is a fair trade practice and payment protection law that promotes fair and competitive marketing environments for the livestock, meat, and poultry industries.

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Catherine M. Grasso (202) 720-7201
Catherine.M.Grasso@usda.gov