



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

JUL 26 2010

To whom it may concern:

On June 22, USDA's Grain Inspection, Packers and Stockyards Administration (GIPSA) published a proposed rule that seeks to improve fairness and transparency in the marketing of livestock and poultry under the Packers and Stockyards Act.

This proposed rule answers the mandate by Congress to carry out title XI of the Food, Conservation and Energy Act of 2008. The rule also seeks to address concerns raised by thousands of producers across the country that have called on USDA for decades to evaluate deceptive and anticompetitive practices in the market. USDA has sought to interpret the farm bill requirements and evaluate market practices of concern based on the information we have at this time.

In recent days, it has become apparent that there are misunderstandings about what is actually proposed in the rule. The proposed rule seeks to provide clarity to improve basic fairness and transparency in the market and in so doing reducing the number of concerns, complaints and lawsuits in rural America.

I thought I would take this opportunity to provide some important explanations. This rule does not limit or prohibit marketing agreements, the use of premiums, or other value-added activities. The rule does not require anyone to do business with any particular person or require packers to pay all producers the same price. I have included a document that seeks to clarify some of these points.

In recent days we have had requests to extend or not extend the comment period for the proposed rule. We take these requests very seriously. We feel it is important that producers and other stakeholders have adequate time to comment on the proposed rule. As such, we will extend the comment period for an additional 90 days.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward Avalos", written over a white background.

**Edward Avalos
Under Secretary
Marketing and Regulatory Programs**