



The Grain Inspection, Packers and Stockyards Administration

The United States Department of Agriculture's (USDA) Grain Inspection, Packers and Stockyards Administration (GIPSA) facilitates the marketing of livestock, poultry, meat, cereals, oilseeds, and related agricultural products and promotes fair and competitive trading practices for the overall benefit of consumers and American agriculture. GIPSA is part of USDA's Marketing and Regulatory Programs, which are working to ensure a productive and competitive global marketplace for U.S. agricultural products.

GIPSA's **Federal Grain Inspection Service (FGIS)** establishes the Official Standards for Grain, which are used each and every day by sellers and buyers to communicate the type and quality of grain bought and sold. FGIS also establishes standard testing methodologies to accurately and consistently measure grain quality. Finally, the program provides for the impartial application of these grades and standards through a network of Federal, State, and private inspection agencies known as the official system.

The Agency's **Packers and Stockyards Program (P&SP)** ensures open and competitive markets for livestock, meat, and poultry. P&SP is a regulatory program whose roots are in providing financial protection, and ensuring fair and competitive markets.

As an impartial, third-party entity, GIPSA helps ensure a fair and competitive marketing system for all involved in the merchandising of grain and related products, livestock, meat, and poultry.

Marketing America's Grain

U.S. grain, rice, and other commodities flow from farm to elevator to destinations around the world. GIPSA's Federal Grain Inspection Service helps move our Nation's harvest into the marketplace by providing farmers, handlers, processors, exporters, and international buyers with services that accurately and consistently describe the quality and quantity of the commodities being bought and sold.

U.S. Grain Standards. GIPSA establishes official U.S. grading standards and testing procedures for grains, oilseeds, rice, lentils, dry peas, and a variety of edible beans. These standards are used each and every day by sellers and buyers to communicate the type and quality of grain bought and sold.

Official Grain Inspection and Weighing System. GIPSA oversees the official grain, rice, and commodity inspection and weighing system--a unique public-private partnership including Federal, State, and private agencies--that provides official inspection and weighing services to the domestic and export trade.

Inspection Services. Official inspections of grains, oilseeds, and other agricultural and processed commodities are accurate and consistent because they are based on established standards and proven procedures, techniques, and equipment. The accuracy of officially approved equipment is verified—and reverified—by GIPSA scientists using finely calibrated master instruments and official reference methods. An extensive quality assurance program reviews and monitors the work of GIPSA inspectors. Tests and procedures are continually being developed to offer the latest information needed by buyers, sellers, and end-users of U.S. grain.

Official Certificates. Official tests provide a wealth of reliable information about important sanitary, physical, food safety, and intrinsic quality characteristics—foreign material, moisture content, insect infestation, protein and oil content, aflatoxin, and pesticide residues... to name a few. U.S. and international buyers rely on official USDA inspection certificates to provide accurate, official descriptions of the grade, class, and condition of the inspected product.

Fair Business in Livestock, Meat, & Poultry Markets

GIPSA's Packers and Stockyards Program (P&SP) helps promote fair business practices and a competitive environment for the marketing of livestock, meat, and poultry. Through its oversight activities, including monitoring programs, reviews, and investigations, P&SP fosters fair competition, provides payment protection, and guards against deceptive and fraudulent trade practices that affect the movement and price of meat animals and their products. P&SP's work protects consumers and members of the livestock, meat, and poultry industries.

Payment Protection. GIPSA ensures prompt payment for livestock and live poultry purchased by dealers, market agencies, order buyers, packers, and live poultry dealers whose operations are subject to the P&S Act. We also ensure that each packer purchasing over \$500,000 worth of livestock annually, and each market agency and dealer, maintains a surety bond or its equivalent as protection for livestock sellers. Market agencies that sell livestock on a commission basis must establish and maintain a separate bank account designated "Custodial Account for Shipper's Proceeds" for the benefit of livestock sellers. Further, packers and live poultry dealers (poultry processors) must hold inventories and receivables or proceeds in trust for the benefit of unpaid cash sellers of livestock, poultry, and contract poultry growers in the event of a financial failure.

Open Competition. GIPSA works to prohibit any practice, agreement, or arrangement that restrains competition. This includes practices that exclude potential buyers from bidding in open competition, such as taking turns in the purchase of livestock sold at auction, division or apportionment of procurement territories, division of supplies, agreements not to compete for certain classes of livestock, practices that restrict market access or give undue preference or advantage, or any other practice that lessens competition.

Integrity of Scales and Weighing Procedures. GIPSA enforces programs that ensure (1) the accuracy of the scales used for weighing livestock, meat, and poultry, and (2) the proper and honest operation of scales to ensure that the weight on which a transaction is based is accurate.

Fair Treatment of Poultry Growers. GIPSA is responsible for recognizing and correcting practices in the poultry industry that are unfair, unjustly discriminatory, or deceptive to poultry growers and sellers. Poultry growing contracts and grower settlements are investigated to ensure that settlements are in accordance with fair, nondiscriminatory contract terms.

For More Information

For further information on GIPSA services and programs, please visit our web site at:
www.gipsa.usda.gov.

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