

**2/2/79**

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THE WHITE HOUSE  
WASHINGTON

2/2/79

Bob Lipshutz

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Frank Moore

THE WHITE HOUSE  
WASHINGTON

Mr. President:

Louis Martin and Sarah Weddington  
concur.

Bernie Aronson's office has re-  
viewed the text of the attached  
letters.

With your approval, we will have  
the attached letters autopenned.

\_\_\_\_\_ Approve      \_\_\_\_\_ Disapprove

Rick/Bill

THE WHITE HOUSE  
WASHINGTON

January 31, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: BOB LIPSHUTZ *BL*

RE: Letters to Commissions and Senators  
Re Minority and Female Judges

Attached are draft copies of letters for you to send to the Circuit Court Nominating Panels and to Senators, encouraging the identification of minority and female candidates for both circuit and district court judgeships.

When you signed the Omnibus Judgeship Act, you stated that you would send such a letter to the Circuit Court panels. Recently, following meetings with women's groups, the Attorney General and we have agreed that it would also be a good idea to send this type of letter to Senators.

Following checking with Hamilton, Tim and Frank, we believe that a letter should go to all Democratic Senators (except those like Kennedy and Bentsen who have already recommended minorities and women), as well as to those Republicans who have actually established nominating commissions. The letter to the Republicans notes that they have set up commissions and asks that they encourage their commissions to use affirmative action.

*Why not?* → The Attorney General agrees that the Senators we have identified should be sent such letters. If anything, he would be inclined to send letters to more Senators, but he believes that the final decision on the recipients should be made at the White House.

We recommend that you approve sending the attached letters.

Approve

Disapprove

Electrostatic Copy Made  
for Preservation Purposes

Letter for Circuit Court Nominating Panels:

*ok*  
*J*

To

The Omnibus Judgeship Act , along with the normal judicial vacancies arising this year , presents an opportunity to redress the underrepresentation of women and minorities in the federal judiciary. Fairness requires that we seize this opportunity. A comparable one may never be presented in our lifetimes.

I strongly urge during your panel's recruitment, screening, and deliberation, that you keep in mind my strong commitment to open the judicial selection process to qualified members of minority groups and women.

Working together, I am confident we can make the bench more truly representative of the American people and maintain a high standard of merit in the selection of Circuit Court Judges.

Thank you for your cooperation and your diligent efforts.

Sincerely,

**Electrostatic Copy Made  
for Preservation Purposes**

Letter for Democratic Senators --

ole  
J

To Senator

The Omnibus Judgeship Act, ~~it~~ along with the normal judicial vacancies arising this year, ~~it~~ presents an opportunity to redress the under-representation of women and minorities in the federal judiciary. Fairness requires that we seize this opportunity. ~~It~~ ~~A~~ comparable one may never be presented to another President and Senate.

~~Candidly,~~ I am <sup>deeply concerned</sup> ~~distressed~~ by the small number of women and members of minorities recommended to date for district judgeships. Please redouble your efforts, whether personal or through a nominating commission, to find qualified lawyers in these categories. I have asked the Attorney General to assist you, and I urge you to consult with him.

Working together, I am confident we can make the bench more truly representative of the American people and maintain a high standard of merit in the selection of District Court Judges.

Sincerely,

Electrostatic Copy Made  
for Preservation Purposes

Letter for Republican Senators who have  
established commissions --

To Senator

The Omnibus Judgeship Act -- along with the normal judicial vacancies arising this year -- presents an opportunity to redress the under-representation of women and minorities in the federal judiciary. Fairness requires that we seize this opportunity -- a comparable one may never be presented to another President and Senate.

Candidly, I am distressed by the small number of women and members of minorities recommended to date for district judgeships. I appreciate your establishing a nominating commission, and I would ask that you encourage your commission to identify qualified lawyers in these categories. I have asked the Attorney General to assist you, and I urge you to consult with him.

Working together, I am confident we can make the bench more truly representative of the American people and maintain a high standard of merit in the selection of District Court Judges.

Sincerely,

THE WHITE HOUSE

WASHINGTON

Date: 1/31/79

MEMORANDUM

**FOR ACTION:**

Frank Moore (Les Francis) - *ok*  
Louis Martin *concur*  
Sarah Weddington *concur*  
Bernie Aronson - *attached*

**FOR INFORMATION:**

The Vice President  
Hamilton Jordan  
Tim Kraft  
Jody Powell  
Jerry Rafshoon  
Anne Wexler

**FROM:** Rick Hutcheson, Staff Secretary

**SUBJECT:** Lipshutz memo re letters to commissions and senators  
on minority and female judges

**YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:**

**TIME:** 12:00 Noon

**DAY:** FRIDAY

**DATE:** 02 Feb. 1979

**ACTION REQUESTED:**

Your comments  
Other: \_\_\_\_\_

**STAFF RESPONSE:**

I concur.  No comment.  
*Please note other comments below:*

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Letter for Circuit Court Nominating Panels --

To

The panel of the United States Circuit Judge Nominating Commission which you chair has recently been activated. I would like to remind you and the other panelists of my commitment to open the judicial selection process to qualified members of minority groups and women. Please bear this commitment in mind during your panel's recruitment, screening and deliberations.

Thank you for your cooperation and for your diligent efforts.

Sincerely,

Letter for Democratic Senators --

To Senator

The Omnibus Judgeship Act--along with the normal judicial vacancies arising this year--presents an opportunity to redress the under-representation of women and minorities in the federal judiciary. Fairness requires that we seize this opportunity--a comparable one may never be presented to another President and Senate.

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Being fair to women and minorities does not mean lowering the standards of the federal bench. Working together, we can make the bench more representative of our entire country without departing from a high standard of merit.

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Date: 1/31/79

MEMORANDUM

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Frank Moore (Les Francis)  
 Louis Martin  
 Sarah Weddington  
 Bernie Aronson

**FOR INFORMATION:**

The Vice President  
 Hamilton Jordan  
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 TO THE STAFF SECRETARY BY:**

**TIME:** 12:00 Noon

**DAY:** FRIDAY

**DATE:** 02 Feb. 1979

**ACTION REQUESTED:**

**Other:**  Your comments

**STAFF RESPONSE:**

I concur.  
*Please note other comments below:*

No comment.

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE

WASHINGTON

January 31, 1979

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The Attorney General agrees that the Senators we have identified should be sent such letters. If anything, he would be inclined to send letters to more Senators, but he believes that the final decision on the recipients should be made at the White House.

We recommend that you approve sending the attached letters.

Approve

Disapprove

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Sincerely,

THE WHITE HOUSE

WASHINGTON

30 January 1979

MEMORANDUM FOR  
THE HONORABLE CLIFFORD ALEXANDER  
Secretary of Army

Re: Designation of the Department  
of Army as Pilot Minority  
Procurement Agency

This memorandum is to formally notify you that the President has designated the Department of the Army as the pilot minority procurement agency pursuant to Section 202 of P.L. 95-507.



Rick Hutcheson  
Staff Secretary

cc: Administrator Weaver  
Deputy Undersecretary Church

THE WHITE HOUSE  
WASHINGTON

PATTI:

PLS TYPE UP AS CHRIS  
SUGGESTS, BUT CHECK  
WITH LINDER FIRST.

THANKS

RICK

also

bcc

Edley

THE WHITE HOUSE

WASHINGTON

January 26, 1979

MEMORANDUM FOR: RICK HUTCHESON  
THROUGH: BERT CARP  
FROM: CHRISTOPHER EDLEY  
SUBJECT: Designation of the Army as Pilot  
Minority Procurement Agency

See the attached.

OK  
B

THE WHITE HOUSE

WASHINGTON

January 26, 1979

MEMORANDUM FOR: RICK HUTCHESON

FROM: CHRISTOPHER EDLEY *CE,*

SUBJECT: Designation of the Army as Pilot Minority Procurement Agency

The Army is apparently anxious to receive some kind of formal indication that they have been selected by the President for the pilot minority business procurement program under the recent minority business legislation. The President made the designation some weeks ago. I see no particular reason for the President to be bothered with an official document for the public record. Could you send Secretary Alexander a one-sentence note saying something like:

" This is to formally notify you that the President has designated the Department of the Army pursuant to section 202 of P.L. 95-507."

If you send such a note, please send copies to me, SBA Administrator Vernon Weaver, and Deputy Undersecretary of Defense, Dale Church.

Thanks.

THE WHITE HOUSE

WASHINGTON

February 2, 1979

MEMORANDUM TO THE PRESIDENT

FROM: ALFRED E. KAHN *Fred*

SUBJECT: The Yellow Sheet and Beef Prices

You will recall asking me, many, many weeks ago (I'm sorry to say), about allegations you heard on a television program about the Yellow Sheet (the real name is The National Provisioner Daily Market & News Service) being used as a mechanism for manipulating beef prices.

Apparently these allegations come up whenever beef prices go up. I made a couple of efforts to find out whether there had been any investigation of these contentions.

I ~~enclose~~ the most thorough answer I received, from John Shenefield. As you see, the Department of Justice did rather thoroughly investigate these allegations over a two-year period, a couple of years ago, and concluded there was no evidence of collusion.

I have read the memoranda that John refers to at the end of his memo to me. The one additional interesting observation that they make and document is that successful conspiracies seem to be unlikely, since chain store buyers of meat are not only free to negotiate prices with meat packers individually, rather than buy on the basis of a formula itself based on Yellow Sheet quotations, but regularly do. The entire market, therefore, the memoranda conclude, is competitive -- in which event, there would be no point in rigging the formula prices.

That's the sum total of my knowledge; but the negative conclusions seem persuasive.

There is no need to acknowledge this brief report.

Enclosures

Electrostatic Copy Made  
for Preservation Purposes

JAN 30 1979



ASSISTANT ATTORNEY GENERAL  
ANTITRUST DIVISION

United States Department of Justice

WASHINGTON, D.C. 20530

29 JAN 1979

MEMORANDUM FOR: Alfred E. Kahn  
Advisor to the President  
on Inflation

FROM: John H. Shenefield *JHS*  
Assistant Attorney General  
Antitrust Division

SUBJECT: Yellow Sheet Investigation

A preliminary inquiry into possible nationwide price fixing in the beef industry was opened on October 30, 1974. One aspect of that investigation centered on allegations made from time to time (most prominently set forth in a December 6, 1974 Wall Street Journal article by Jonathan Kwitney) that beef packers through various devices upwardly manipulated the published price quotation of The National Provisioner Daily Market & New Service, which is commonly known as the Yellow Sheet.

Allegations concerning the Yellow Sheet were thoroughly investigated during a two-year period. The investigation included: (1) detailed analysis of the Wall Street Journal article, including supplementary information provided by its author and personal and telephone interviews of all known sources for the article; (2) interviews of William Albanos, the publisher of a competing price reporting service known as the Meat Sheet and analysis of materials provided by Albanos which he believed demonstrated manipulation of the Yellow Sheet; (3) interview of Lester Norton, the publisher of the Yellow Sheet, and analysis of materials provided by him; (4) interview of independent industry expert who had written articles concerning the formula pricing system for beef and the two reporting services; (5) personal and telephone interviews of Chicago-area industry sources (packers, brokers, former Yellow Sheet employees, supermarket purchasers); (6) extensive interviews of Packers & Stockyards Administration

staff members who had conducted previous investigations of similar allegations; and (7) extensive analysis by Division economists of data obtained from numerous sources.

It was concluded that there was no evidence of collusion by any group to manipulate the Yellow Sheet. There were some difficulties created by the thinness of the sample used to establish the daily quotations and the widespread use of formula pricing in the beef industry, and a civil case was considered to attack those problems. We concluded, however, that adequate relief could not be obtained, and therefore, a civil action would not be beneficial in correcting these deficiencies.

For your information, I have enclosed several memoranda produced by our Economic Policy Office during the investigation.

Enclosures

Files  
Corres. -7258M  
Connell-8313\*  
Brodsky(2)-8407\*  
McAninch-8312\*  
Bodily-San Fran. Of.

Myslinski-10111\*  
Chrono  
Joyce-10320\*

WCMyslinski:drb

George A. Hay  
Director of Economics  
Economic Policy Office

March 1, 1977

File: 60-50-101

William C. Myslinski

*WCM*  
Yellow Sheet, Formula Pricing  
and Chain Store Buyers

A number of previous memoranda have described and analyzed various hypotheses and allegations regarding price fixing conspiracies among meat packers via the Yellow Sheet. <sup>1/</sup> It is evident that the motivation for each alleged practice concerning packer manipulation of the Yellow Sheet lies with the packer's interest in his formula sales. Most packers sell a large percentage of their beef, both carcass and boxed, at prices determined by formulas based upon the Yellow Sheet price.

In principle each of the conspiracy theories suffers a common weakness. If buyers are free to negotiate price rather than buying on formula, it does not appear that an anticompetitive conspiracy can endure over time. That is, if every buyer is always free to negotiate his price and he generally finds he does better when buying "off the sheet," then we can expect a growing number of buyers to move off the sheet into negotiating the price. The larger the segment of the market that is negotiating price the more likely the market price is to approximate a competitive one. However if only a small percentage of the market is "negotiated" and if the Yellow Sheet were then manipulated, the negotiated prices would also be affected. But as long as there are sellers who can profit from and are competitively under-bidding the sheet and there are no barriers to the

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<sup>1/</sup> Most recently, December 14, 1976 memorandum to George Hay from William Myslinski, file #60-50-101.

growth of this segment of the market then there would appear to be no basis for the long term stability of a conspiracy with regard to the Yellow Sheet and formula buying. The more sellers there are willing to negotiate with buyers the more likely market prices are competitive. If it is the case that all buyers are free to insist upon a negotiated price with all sellers, the likelihood of a widespread and effective conspiracy is low. 2/

In my December 14, 1976 memo I specifically considered two types of agreements: (1) Agreement to encourage and use formula sales as a device for discouraging price cutting, and (2) an agreement to manipulate Yellow Sheet prices directly. The de facto tendencies and abilities of buyers and sellers to negotiate price rather than to use formula pricing directly reflects on the likely existence of the first type of agreement and less directly but significantly upon the effects, organization and durability of the second kind of agreement. Given the above considerations, it was decided that interviews with chain store buyers could prove to be most profitable. Those interviews are related below:

Phone Interview with Curt Marti, Principal Meat Buyer for Red Owl Stores, February 15, 1977 (612-932-2132)

I indicated to Marti that neither he nor Red Owl stores were a subject of investigation. I indicated that my interest was background information concerning formula pricing.

Red Owl is a medium size chain with stores located primarily in Minnesota and Wisconsin. It is the largest grocery retailer in the Minneapolis-Saint Paul market with about a 20% market share.

Marti indicated that he used both negotiated and formula pricing. He indicated that the choice of pricing depended both on the packer and upon the conditions of the sale.

---

2/ This is not to say however that the independent behavior of the individual packer with the larger part of his sales on formula will not be altered by formula pricing. Specifically, that packer on a given day will have incentive to make an independent attempt to manipulate the Yellow Sheet price. He will be especially tempted if he perceives the Yellow Sheet's data sample to be small and manipulatable.

For example, if Red Owl had planned a sale on "chuck" it would be necessary because of the anticipated large volume of consumer response to begin lining up that volume of product considerably in advance of the period of the sale. Certain packers, particularly smaller ones without the resources for estimating future prices, would be reluctant to commit on price for delivery as much as two weeks in the future. Consequently, a common solution in such a case is to agree to some formula price based upon a future Yellow Sheet price.

\* Red Owl does not buy boxed beef because of union rules in the area. Regular loads of carcass beef are usually bought on a negotiated basis. Marti indicated that just the previous (Feb. 14) he had purchased a substantial amount of his beef needs on a negotiated basis and that beef would be delivered on the next Monday (Feb. 21). He reiterated that it was really only the smaller packers who tended to try to insist upon the use of the Yellow Sheet. He seemed to feel that this was largely a matter of their inability to forecast future prices. He indicated that the larger packers generally had economic talent that they relied upon and in which they were confident enough to agree to prices with regard to future deliveries.

Marti usually phones and gets quotes from ten times as many people as he eventually ends up purchasing from. Over time he tends to rely on the same set of suppliers. He indicated that through time suppliers begin to know the type, quality and amounts of beef Red Owl will be requiring on a regular basis and that they try to have that type of beef on hand. He tends to favor those packers who tended to consistently delivery the quality of beef that had been agreed upon. Consequently, semi-regular relationships develop over time.

Marti indicated that only twice in the last twenty years had he been called by the Yellow Sheet. About four years ago Red Owl had purchased some Australian cow meat and they were called in regard to this sale. Two years ago the Yellow Sheet called them with regard to a load of beef that they had purchased from a packer in Nebraska.

Marti in no way felt compelled by any packer to use the Yellow Sheet. He agreed vigorously that if any buyer felt that the Yellow Sheet was rigged he always had the option of going off the sheet and negotiating his prices. As an aside, he offered the fact that Swift up until about ten years ago would not sell on a formula basis.

My general impression was that Marti felt and was indeed generally free to negotiate price with any packer. Marti viewed the Yellow Sheet and formula pricing as strictly a matter of convenience and advantage to himself.

Phone Interview with Dick Morgart, Principal Meat Buyer for Victory Markets, Norwich, New York, February 15, 1977 (607-335-4735)

Victory Markets is a relatively small chain located in upstate New York. Their sales in 1971 were just a bit over \$100 million. 3/

Morgart was somewhat reluctant to talk. I was never really successful in drawing him into a free flowing discussion.

Morgart indicated that Victory has been buying its beef through Topco in Chicago for about four years. Prior to that Victory had been buying its beef on formula. During that prior period they had been buying their pork off the Yellow Sheet. He claimed that prior to Topco the Victory policy was to "try to get the best price." He expressed the opinion that the use of the Yellow Sheet for formula pricing beef purchases was the "fairest way." This was in reference to the fairest to both buyer and seller.

He did express the opinion that the Topco buyers in Chicago had been procuring for Victory a better product at a cheaper price than they had been obtaining on their own by buying on formula.

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3/ In 1971 A&P and Safeway each had in excess of \$5 billion in sales. The tenth largest supermarket chain in the country in 1971 by measure of sales volume was Grand Union with \$1.3 billion in sales. By comparison Giant Food of the Washington area had sales of \$560 million in 1971.

Phone Interview with Allan Levitan, Director of Meat Operations  
for Purity Supreme Markets, North Billerica, Massachusetts,  
February 16, 1977 (617-667-9511)

Purity Supreme markets had sales of \$150 million in 1971.

Levitan indicated that Purity Supreme bought only boxed beef. He indicated that his purchases were from national packers. Purity Supreme's beef purchases were 100 percent negotiated. He was aware of the Yellow Sheet but used it only as a general guide. Levitan indicated that he had no trouble negotiating with anyone and that included IBP.

Levitan indicated however that he buys pork on a formula basis. He explained that when pork is not on sale in his stores the volume he is purchasing is not sufficient to justify his effort in searching the market and negotiating prices. That is, any savings he can obtain in negotiating the price would be more than eaten up in the cost of his time and effort.

Phone Interview with Al Shutt, Weis Markets, Sunbury,  
Pennsylvania, February 16, 1977 (717-286-4571)

Weis markets is another relatively small chain which had sales in 1971 of \$216 million. However, Weis by a measure of profit as a percent of sales was the nation's leader at 4.49 percent.

When I called Shutt on the morning of the 16th he indicated that it would be more convenient to talk later in the afternoon. When I called him back he said that their counsel had indicated that a letter from the Department would be required. He explained that they were party to some of the private suits by cattlemen. He indicated that Weis markets was willing and anxious to cooperate but that the questions would have to be submitted in writing.

I ventured that perhaps I could ask him one or two questions which would be so general that he would see no objection to answering them. I learned that Weis brothers buys carcass beef and that all beef purchases are negotiated.

He indicated that packers do try to get them on formula. And this tendency is about equal between big and small packers. He did note however that there was no packer who would not ultimately negotiate if the buyer insisted.

Shutt went on to relate that he had formerly worked for Armour and that when he was working for Armour it was in his interest to try to get buyers on formula. He explained that with 200 to 300 accounts per week the cost on negotiating with 200 or 300 customers would be extremely high. If a customer was a formula buyer the order could be taken by a staff clerk. When he was with Armour he felt that Armour was losing something on its formula customers, that is in some instances simply not getting the best price possible. When I asked him if he thought it was to Weis' advantage to negotiate, he agreed that he thought they were getting a better deal negotiating than buying on formula. I pointed out the apparent contradiction with this feeling and that when he was working with Armour. He agreed that the feelings were contradictory and to some degree subjective.

#### Other Contacts

The principal meat buyer for First National stores is Bernie Goldstein. He is located in Kaerny, New Jersey (201-587-4600). He indicated that he was willing to talk but he wanted to check with council and verify my identification. Later that afternoon, February 16, William Landis, Counsel for First National stores called me and indicated that First National stores was a party to a private cattle-men suits in the mid-west and west. He indicated a willingness to cooperate through written interrogatories. I indicated to him that I probably had sufficient response from other chains at that point and probably wouldn't need to have either he or I go through the process.

On February 15 I contacted Tony Piccorello, principal beef buyer for Stop and Shop Markets of Boston, Massachusetts (617-481-3100). He would not talk to me and referred me to a Mr. William McCarthy, (617-463-4345) who was apparently the press relations man for Stop and Shop. McCarthy indicated that he would take the matter up with counsel and would call me back before the end of the week.

On February 16 I contacted Charles I. Stoutenburgh, Jr., corporate chain buyer for Pantry Pride and Penn Fruit of Philadelphia (215-382-9500). These people are also apparently a party to private antitrust suits involving cattlemen. I indicated the matters I wished to speak with him about, he said he would call me back by Friday. I was able to ascertain that Penn Fruit is a boxed beef buyer and might buy most of that beef on formula. He did not call me by Friday.

### Conclusion

The facts appear to strongly indicate that the ability and inclination of chain buyers of beef to negotiate prices is quite uninhibited. As indicated in the introduction to the memorandum these facts do not serve to reinforce certain popular conspiracy theories regarding the Yellow Sheet and formula pricing.

Corres.-7258M  
Connell-8313\*  
Brodsky-8407\* (2)  
McAninch-8312\*  
Myslinski-10111\*/

Daily-San Fran. Office  
Chrono

George A. Hay  
Director of Economics  
Economic Policy Office

William C. Myslinski

WCMyslinski:drb

December 14, 1976

File: 60-50-101

*WCM*  
Price Fixing Conspiracies Among Beef  
Packers via the Yellow Sheet

This memorandum will examine two alleged packer practices which involve the Yellow Sheet (YS). The consistency of those practices with various behavioral hypotheses will be considered. The possibility of testing those hypotheses, the economic effects of the practices, and finally questions of relief are also examined.

Packer Practices

Most packers sell a large percentage of their carcass beef at prices determined by formulas based upon the Yellow Sheet price. It is alleged that packers on occasion engage in the following two practices: (1) when faced with the prospect or need of selling a load of beef on the open market below the prevailing YS price, fearing that this perspective sale will lower the YS price and hence the base on which his formula sales are calculated, will attempt to coax the buyer into an agreement not to report the sale to the YS; (2) when involved in a transaction with another packer will either agree to and report or simply report a price above what the "real" market is dictating. Let us refer to the former as the "secret sale" and the later as the "fake sale."

Conspiracy Theories

Proving the existence of the practices in question (which will be no mean feat), is not to have established the occurrence of antitrust violations. It will remain to prove that those practices are the result or part of some conspiratorial agreement to fix prices.

It is fairly evident that the motivation for both of the above practices lie with the packer's interest in his formula sales. In the absence of a Yellow Sheet and formula sales it is unlikely that such practices would have little more than minimal effect for or benefit to the packers. Consequently, it is likely that any conspiracy would involve formula sales and/or the YS price. Let us consider two types of agreement: (1) an agreement to encourage and use formula sales as a device for discouraging price cutting, and (2) an agreement to manipulate YS prices directly. If we assume that each agreement might independently be explicit, tacit or non-occurring we have the following outcome matrix.

	EVENT 1	EVENT 2	EVENT 3	EVENT 4	EVENT 5	EVENT 6	EVENT 7	EVENT 8	EVENT 9
Agreement (1)	explicit	explicit	explicit	tacit	tacit	tacit	none	none	none
Agreement (2)	explicit	tacit	none	explicit	tacit	none	explicit	tacit	none

The two practices in question may, in principle, occur within the context of any of the nine events in the matrix. The practices may or may not be explicit elements of agreements reached. The practices may only be the indirect result of agreements with respect to formula pricing and/or the YS. For example, regardless of manipulation evidence and whether the practices are part of an agreement, if we were to find documents that suggested that the use of formula sales was a practice intended to discourage price cutting, 1/ we would have a good "second order coordination" situation. On the other hand, we must consider the possibility of the event (9) where no type of agreement has been made. For instance, where each packer can independently sense when the current YS price is weak, and realize that if he were to sell below that price and report the sale he could affect his near-future formula sales. This realization and expectation derives from packers' presuming that the YS sample is rather thin and that a single sale might spell the difference.

---

1/ Possible in events 1 through 6.

## Effects

It may be that a world with each packer independently believing his potential sale to be pivotal results in a number of packers acting in a parallel fashion and bringing about effects similar to those that would derive from a more explicit understanding. If packers engage in either the "secret sale" or the "fake sale" it does seem relevant to ask, in both an economic and legal sense, how in the absence of proof of agreement these practices differ from the commonplace business practice of quietly granting individual customer discounts off list. For example, a widget manufacturer might be willing, and view it as necessary, to sell to customer A at 10% off list, but ask A not to let B, C and D know. The effect of the agreement between the widget manufacturer and A would appear at least in the short run, *ceteris paribus*, to have the effect of keeping the price to B, C and D higher than it would otherwise be. I believe few of us would view this as little more than the legitimate exercise of what market power that individual widget manufacturer had. The independent packer's action is in appearance not very different from that of the widget manufacturer. However, the effect is potentially larger given the institutional peculiarities of the Yellow Sheet and formula sales and the subsequent possibility of an industry agreement with respect to them.

If the packers have had any success in raising price, then the price has, of course, been set above the market clearing price and resulted in a short run surplus supply of carcass beef. If it is "understood" that the YS price should not be undermined, this surplus must be worked off other than in the open carcass beef market. It may be sold in "secret sales;" sold as "distressed" beef; sold to a processor in a "fake sale;" or disposed internally in a processing operation. This is not to say that this manner of working off the surplus output into other product markets does not exert downward market pressure on the carcass price, but it does control and attenuate those forces. Any price-fix must control output in some manner, otherwise the process of clearing the market supply will drive price to the competitive level. Since it is unlikely a packer conspiracy could effectively restrict or cut back total output, we would expect output control in this industry would tend toward what was essentially a price discrimination scheme (i.e. like the one described above, where carcass beef sells above competitive levels while other products prices are depressed).

## Relief

Regardless of which conspiracy theory is adopted, it is more the Yellow Sheet and its use in formula sales rather than the "secret sale" and the "fake sale" themselves at which relief must be directed. Even if we discover and prosecute either a very explicit or second order agreement among packers involving these practices, we would still have to face up to the possibility that the effects of those practices might be reproduced, albeit in lesser degree, by independent parallel action. If it is the case that packers do engage in the given practices because they perceive those actions to be profitable, whether by agreement or independently, they will continue to be capable of and tempted by the Yellow Sheet's vulnerability and its use in formula sales. If either the Yellow Sheet were not so vulnerable or there were no formula sales, our problem would be largely solved.

## Conclusions

With respect to alleged "secret sales" and "fake sales," the following observations can be made. No evidence of price fixing agreements has yet been uncovered. For that matter no hard evidence of the practices themselves is in hand. 2/ Consequently, we face first the task of substantiating the occurrence of either or both of the practices. Having established the practices, our next task is to either associate them with some conspiratorial agreement or if the practices are independent of an industry agreement (or, in the case of the "fake sale," a pair-wise agreement) show them to be legally and/or economically different from the everyday business practice of granting discounts to individual customers and veiling those discounts from others.

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2/ While we may have satisfied ourselves previously that the Yellow Sheet's sample is thin and their procedure vulnerable and perhaps even derelict in a sense, we have yet to substantiate a single case where they were actually manipulated. We believe we have observed: (1) a packer-to-packer trade pushing up the price of an item (was it a "fake trade"? how do we find out?); (2) YS prices which had no basis in actual sales, and (3) YS prices based on one or two small trades.

Consider how a grand jury might be used. With respect to "secret sales" we first have to identify examples. Short of a tip or an out-of-the-blue confession, it will be very difficult to identify a potential "secret sale" about which to question a witness. If a sale is secret, it is not on the YS record. If we find a sale on some packer record that is not on the YS record, the packer witness can reply that he has no legal obligation to report to the YS. He may go on to claim that he normally does report but in this case either forgot or did not because the sale was under special terms that the YS would have rejected in any case. The "fake sale" is more promising. The YS records can be useful in identifying those packer-to-packer sales that appear to have made a difference in the subsequent YS quote. Recall that it was the opinion of Mr. Green of Swift that packer-to-packer loads were usually on different terms than to other buyers (e.g. not trimmed well, since that could be done by the other packer) and usually lower in price. He didn't think packer-to-packer trades would be regarded as "normal" and hence used by the "YS." If Green is correct (this should be checked), YS use of packer-to-packer sales is itself suspicious and ought to be considered for further investigation. For those packer-to-packer sales that have supported or raised the YS price, the terms of trade ought to be sought from packer records and witnesses.

It may be that the only agreement operative among packers is one to employ YS formula pricing to discourage price cutting. It may also be that the two practices we have tended to focus upon, even though they have the indirect effect of manipulating the YS price, are merely the reactions of individual packers to that agreement. It is conceivable that this sort of agreement is both easier to uncover and easier to prosecute than any involving the practices themselves. The grand jury may be useful in producing both documentary and testimonial evidence in this area.

Finally, regardless of our course of action and our success in detecting the practices and/or agreements, relief ought to and can be addressed. Failure to identify specific instances of the practices should not necessarily tend to disprove their existence. There are reasonable grounds for believing that in fact these practices are largely undetectible on an individual basis. However, we have a

number of industry sources insisting that they occur. Given the thinness of the YS's sample and the vulnerability of their procedure, we have little reason to doubt that the practices occur or that they have an effect. Because of the heavy use of formula sales, the potential return from manipulative practices to packer is quite high. Consequently, while we may not be able to proceed with an antitrust case, we ought to pursue relief if possible. Fortunately, we have two potential relief levers. First, we might consider negotiating a modification of the outstanding consent decree. Second, we might explore the notion of engaging Packers and Stockyard Administration in limiting or banning packers' use of formula sales.

Corres.-7258M  
Hay-10315\*  
Connell-8313\*  
Brodsky (2)-8712\*  
Myslinski-10111\*/  
McAninch-8309\*  
Douse-8710\*  
Bodily-San Francisco Office  
Chrono Files

WCMyslinski:drb

August 25, 1976

File: 60-50-101

William C. Myslinski

*WCM*

Analysis of Data Obtained in USDA-  
Packers and Stockyards Administration  
Survey of Packer-to-Packer Transactions  
in 1973

The raw data from the USDA-Packers and Stockyards Administration Survey of major packer-to-packer transactions was received by us computer coded on tape. 1/ The assistance of the Justice Department's Information Systems Staff was required in the design of a program which could organize and breakdown the data into forms appropriate for a first analysis. 2/ This assistance was primarily provided by Mr. Greg Gage. This memorandum will describe the summary tables into which the data has been broken and present a preliminary analysis of those tables.

The Summary Tables

There are six summary tables in all. Since their format is generally self explanatory the following descriptions will be rather brief.

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1/ For description of survey and suggested use see previous memoranda--Jerry J. Bodily and William C. Myslinski to Files, February 21, 1975, File No. 60-50-101, Steven Brodsky to Files, March 21, 1975, File No. 60-50-101, Steven Brodsky and Barbara McAninch to Gerald A. Connell, Chief, March 28, 1975, File No. 60-50-101, and Steven Brodsky to Myslinski & Bodily, May 1, 1975, File No. 60-50-101.

2/ See memorandum Jerry Bodily and William C. Myslinski to Ed Dolan, July 30, 1975, File No. 60-50-101.

The computer printout which is Table 1 is headed "Purchases by Plant or Distribution Point." For each packer covered by the survey, its purchases are listed by its individual plants. Each plant is indicated by Federal Inspection Number and/or location. For each plant the total purchases by weight for each month of 1973 are indicated. The three columns appearing indicate the purchases of carcasses, primals and sum of those two respectively. For each month purchases are listed by the packer from which that plant purchased. See sample page of Table 1 in Appendix I.

The printout for Table 2 is headed--"Total Purchases by Firm." This table gives for each surveyed firm the total purchases by weight received from each selling packer for each month of 1973. See sample page of Table 2 in Appendix I.

The printout for Table 3 is headed--"Product Movement for a Purchasing Packer." Table 3 comes in three parts. Part 1 is for carcasses. Part 2 is for primal cuts. Part 3 is the sum of Parts 1 and 2. States are the geographic units designated as origins and destinations. The shipments from each state from which a packer purchased are broken down by state of destination. The total purchased from all states by each packer is also broken down by state of destination. See sample page of Table 3 in Appendix I.

The printout for Table 4 is headed--"Product Movement for a Selling Packer." Table 4 is presented in three parts. Part 1 summarizes data pertinent to carcasses; Part 2, primal cuts, and Part 3, the sum of the two. Origins and destinations are again designated by state. The shipments from each state from which a selling packer shipped are broken down by state of destination. The total shipped from all states by each packer is also broken down by state of destination. See sample page of Table 4 in Appendix I.

The printout for Table 5 is headed--"Daily Summary of Purchases and Sales by Name of Packer." For each business day, total sales and purchases by each packer are listed for both carcasses and primals. See sample page of Table 5 in Appendix I.

The printouts for Table 6 are headed--"Carcass Price Comparisons." Table 6 is presented in four parts. Each part is for a particular grade and weight range of carcass, e.g. 400 to 500 pound choice heifers. In each part, for that particular carcass product, every transaction, the date, buyer, seller, origin, destination and price are given. See sample page of Table 6 in Appendix I.

#### Analysis of Summary Tables

Previous memoranda (especially Brodsky to Myslinski and Bodily, May 1, 1975) have suggested a number of uses for the hypotheses to be tested by the data. It should be emphasized that foreseeable "peculiarities" in trading partners, day-of-week trading patterns, shipping locations, price patterns, etc. all fit into legitimate business explanations as well as nefarious explanations. As Mr. Brodsky makes quite clear in his memo, the primary reason for examination of the data is to generate leads for more detailed investigation as opposed to concrete evidence.

Table 2 reveals that all nine of the surveyed packers sold beef to other packers but that two of them, American Beef Packers (ABP) and Needham (Need.) made no purchases from other packers. The others, Armour (Armo), Iowa Beef Packers (IBP), Missouri Beef (MBP), Morrell (Morr.), Spencer (Spn.), Swift and Wilson (Wils.) purchased beef from six to eight of the nine surveyed firms as well as from a good number of non-surveyed firms (from 4 others in the case of MBP to 27 others in the case Armour). Each of the seven firms which both bought and sold to other packers had from four to six reciprocal relationships within that set of seven. There is among the nine surveyed firms nothing approaching an exclusive buying or selling arrangement between any two. However, some firms do tend to trade heavily with each other, e.g. of the carcass

beef Swift bought from other packers about two-thirds of it was bought from MBP and this amounted to about one-half of the carcass beef MBP sold to other packers. There are some instances of a particular plant taking delivery primarily from one packer. Simply on the basis of who trades with whom, the data is of little use in singling out particular pairs of traders for investigation.

A sampling of the day-of-week trading patterns indicates the following:

- (a) Trading is lightest on the weekends. Sunday trading is lighter than that on Saturday.
- (b) Of the weekdays, packer-to-packer trading is usually of smallest volume on Monday.
- (c) The heaviest trading day on average is Thursday. Though it should be noted that in the sample made, Thursday was the largest volume day of the week for less than half of the sample.
- (d) In the sample, trading volumes on Tuesday, Wednesday and Friday are largely indistinguishable.

Tables 3 and 4 don't generate a mass of damning evidence either. They do not for example reveal a huge volume of packer-to-packer transactions involving carcass beef moving from Massachusetts to Iowa. But we would hardly expect that. We did check Tables 3 and 4 for trading patterns which would indicate the occurrence of unnecessary sales or phantom swaps. Table VIII below indicates those states (Column A) where a packer in 1973 both imported and exported beef carcasses via packer-to-packer transactions. In Table VIII Columns B and D indicate the volume of exports and imports respectively for each packer for each such state. Columns C and E indicate the destinations of the exports and the origins of the imports respectively.

The underscoring of certain states in Table VIII notes those instances where states appear in both Column C and E simultaneously. With respect to the phenomena to which Table VIII calls attention, these are the strongest cases. Employing Tables 5 and 6, the underscored relationships were explored for the possibilities of discovering relatively overt backscratching with respect to packer-to-packer sales. For example, exploring the possibility, that we would find packer A on January 15 buying a load of carcasses from packer B to be shipped from Iowa to Nebraska and then find packer B buying a load of carcasses from A to be shipped from Nebraska to Iowa or even Iowa to Nebraska on February 16. That is, if a totally unnecessary and/or mispriced trade were made (or not made and yet reported) for the purpose of manipulating the Yellow Sheet, the parties involved might feel some need to even things out over time in this way. Our checking revealed no obvious pattern of questionable "swaps." In all cases available to us <sup>3/</sup>, the import and export partners of the packer in question were different for each state in question. This is not to say that an "over-priced" Iowa to Minnesota sale could not be balanced against a Kansas to Illinois sale at another time. The point in having searched for heavy handed, obvious "swaps" is that should any have been found, legitimate business explanations would have been much less compelling than for most other transaction situations.

It should also be noted that a number of apparently suspiciously high-priced packer-to-packer sales are observed in Table 6. However, these are evidently sales of primal cuts inadvertently listed among the carcass sales reported in Table 6. This is indicated by cross-checking with the daily summaries reported in Table 5. Table 5 is broken into carcass and primal sales.

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<sup>3/</sup> Table 6 is not inclusive with respect to sales referred to in Table 3.

### Conclusions

To have found nothing that is startlingly suspicious should not lead one to pronounce the packers' innocence. In principle, this data has always had only limited potential for uncovering fairly unsophisticated versions of some of the schemes discussed in previous memoranda. A number of schemes involving packer-to-packer sales are either too subtle or simply not the type which would be uncovered by an examination of this type of data.

It is recommended however that all tables and raw data be retained. It is possible that other elements of our investigation will suggest schemes or involve allegations that may well be checked with this data.

Table VIII

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
<u>STATE</u>	<u>CARCASS VOLUME EXPORTED TO OTHER PACKERS FROM A (MILLIONS OF POUNDS)</u>	<u>DESTINATIONS OF SALES</u>	<u>CARCASS VOLUME IMPORTED TO A FROM OTHER PACKERS (MILLIONS OF POUNDS)</u>	<u>ORIGINS OF PURCHASES</u>
<u>ARMOUR</u>				
Iowa	0.3	<u>Iowa</u>	1.2	<u>Iowa, Ill., Minn., Neb.</u>
Nebraska	0.4	<u>Kansas, Nebraska</u>	0.9	<u>Neb., Kan., Tex., Iowa, Minn.</u>
Texas	1.3	<u>Kan., Neb., Md., Tex.</u>	4.7	<u>Kan., Neb., Tex.</u>
<u>SPENCER</u>				
Iowa	6.5	<u>Iowa, Minn., Fla., Mass., NY, Kan., Neb., Pa., Ind., N.C.</u>	3.2	<u>Minn., Col., Iowa, Kan., Neb., Mo., N.M., Okla., S.D.</u>
<u>SWIFT</u>				
Illinois	0.1	<u>Kansas, Nebraska</u>	4.3	<u>Kansas, Iowa, Minn., Neb., Mo., Okla.</u>
Oklahoma	0.8	<u>Kansas, Texas</u>	0.2	<u>Kansas</u>
<u>WILSON</u>				
Iowa	2.2	<u>Iowa, Neb., N.D., Kan., Minn., N.C.</u>	0.3	<u>Neb., S.D., Pa., Mo., Iowa</u>
Kansas	0.07	<u>Iowa, Kansas</u>	0.2	<u>Neb., Okla., Tex.</u>
Nebraska	0.3	<u>Iowa, Neb., Kan., Ill.</u>	0.2	<u>Nebraska, Iowa</u>

141 Table 1  
PURCHASES BY PLANT OR DISTRIBUTION POINT

ARMOUR	PATTERSON, NJ		FED. INSPECT. NO. : 0002P			
SELLING PACKER	WEIGHT	PERCENT OF TOTAL	WEIGHT	PERCENT OF TOTAL	WEIGHT	PERCENT OF TOTAL
<u>JANUARY</u>						
NEED	27037.0	100.0000	49223.0	100.0000	76260.0	100.0000
TOTAL FOR JANUARY	27037.0	100.0	49223.0	100.0	76260.0	100.0
<u>FEBRUARY</u>						
ILLI	2732.0	100.0000	35893.0	100.0000	38625.0	100.0000
TOTAL FOR FEBRUARY	2732.0	100.0	35893.0	100.0	38625.0	100.0
<u>MARCH</u>						
IOWA	12816.0	100.0000	22483.0	39.2059	35299.0	50.3107
NEED	0.0	0.0	34863.0	60.7941	34863.0	49.6893
TOTAL FOR MARCH	12816.0	100.0	57346.0	100.0	70162.0	100.0
<u>JUNE</u>						
IOWA	37934.0	100.0000	0.0	0.0	37934.0	100.0000
TOTAL FOR JUNE	37934.0	100.0	0.0	100.0	37934.0	100.0
<u>SEPTEMBER</u>						
MISS	38164.0	100.0000	0.0	0.0	38164.0	100.0000
TOTAL FOR SEPTEMBER	38164.0	100.0	0.0	100.0	38164.0	100.0
			<u>CARCASSES</u>	<u>PRIMAL CUTS</u>	<u>TOTAL</u>	
TOTAL WEIGHT PURCHASED FOR THE FIRST HALF			80519.00	142462.00	222981.00	
TOTAL WEIGHT PURCHASED FOR THE SECOND HALF			38164.00	0.0	38164.00	
TOTAL WEIGHT PURCHASED FOR THE YEAR			118683.00	142462.00	261145.00	

*Table X*  
TOTAL PURCHASES BY FIRM

SELLING PACKER	(THOUSAND POUNDS)					
	CARCASSES		PRIMAL CUTS		TOTAL	
	WEIGHT	PERCENT OF TOTAL	WEIGHT	PERCENT OF TOTAL	WEIGHT	PERCENT OF TOTAL
<b>JANUARY</b>						
IOWA	29126.00	39.2236	195220.00	14.4417	3107824.00	35.4071
NEED	1848308.00	24.8909	49223.00	3.6414	1897531.00	21.6183
WOLV	5167.00	0.0696	64408.00	4.7647	69575.00	0.7927
EAST	0.0	0.0	100058.00	7.4019	100058.00	1.1399
AMER	697917.00	9.3988	143510.00	10.6164	841427.00	9.5863
MISS	855626.00	11.5226	375539.00	27.7811	1231165.00	14.1265
WILH	56830.00	1.3040	0.0	0.0	96830.00	1.1032
PACK	15925.00	0.2145	69982.00	5.1770	35907.00	0.9787
WILS	178251.00	2.4005	0.0	0.0	178251.00	2.0308
LMAN	0.0	0.0	108757.00	8.0455	108757.00	1.2391
MEYE	29198.00	0.3932	0.0	0.0	29198.00	0.3326
WEST	119965.00	1.6156	0.0	0.0	119965.00	1.3667
SPEN	252925.00	3.4061	70825.00	5.2394	323750.00	3.6884
SUNF	0.0	0.0	2544.00	1.8820	2544.00	0.2898
LYKE	50639.00	1.2206	0.0	0.0	90639.00	1.0326
MORR	0.0	0.0	74191.00	5.4884	74191.00	0.8452
SCHN	33745.00	0.4544	0.0	0.0	33745.00	0.3845
NATI	0.0	0.0	36375.00	2.6909	36375.00	0.4144
MICH	0.0	0.0	3825.00	2.8296	3825.00	0.4358
CALD	38217.00	0.5147	0.0	0.0	38217.00	0.4354
HYPL	35481.00	0.4778	0.0	0.0	35481.00	0.4042
PLAT	38548.00	0.5191	0.0	0.0	38548.00	0.4392
FARM	37408.00	0.5038	0.0	0.0	37408.00	0.4262
ILLI	39592.00	0.5332	0.0	0.0	39592.00	0.4511
HORM	29614.00	0.3988	0.0	0.0	29614.00	0.3374
MIND	69672.00	0.9383	0.0	0.0	69672.00	0.7938
<b>TOTAL FOR JANUARY</b>	<b>7425632.00</b>	<b>100.0</b>	<b>1351778.00</b>	<b>100.0</b>	<b>8777410.00</b>	<b>100.0</b>
<b>FEBRUARY</b>						
IOWA	2325167.00	44.9878	332987.00	31.2253	2658154.00	42.6339
NEED	952510.00	18.4294	45765.00	4.2915	998275.00	16.0112
WILS	130311.00	2.5213	0.0	0.0	130311.00	2.0900
MIND	68650.00	1.3283	0.0	0.0	68650.00	1.1011
ILLI	33728.00	0.7507	54790.00	5.1378	93588.00	1.5010
MISS	765499.00	14.8110	395575.00	37.0944	1161074.00	18.6223
MORR	0.0	0.0	31557.00	2.9592	31557.00	0.5061
AMER	452191.00	8.7491	63201.00	5.9266	515392.00	8.2663
LYKE	101986.00	1.9732	5789.00	0.5429	107775.00	1.7236
EAST	0.0	0.0	100576.00	9.4313	100576.00	1.6131
SPEN	184974.00	3.5789	0.0	0.0	184974.00	2.9663
MEYE	32963.00	0.6378	0.0	0.0	32963.00	0.5287
LMAN	0.0	0.0	34605.00	3.2450	34605.00	0.5550
FARM	38385.00	0.7427	0.0	0.0	38385.00	0.6157
	77003.00	1.4899	0.0	0.0	77003.00	1.2350

NAME OF PACKER : SWIFT

ORIGIN OF SHIPMENT : CALIFORNIA

DESTINATION OF PRIMAL CUTS

NO.	STATE	NO.	STATE	NO.	STATE	NO.	STATE
1	ARKANSAS	2	LOUISIANA	3	MONTANA	4	NEW MEXICO
5	PENNSYLVANIA	6	TEXAS	7	NEW YORK	8	VIRGINIA
9	ILLINOIS	10	FLORIDA	11	MISSOURI	12	MISSISSIPPI
13	NORTH CAROLINA	14	MARYLAND	15	SOUTH CAROLINA		

(VOLUME IN THOUSAND POUNDS)

NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT
1	37923.0	3.3051	2	298535.0	26.0222	3	552148.0	48.1207	4	69248.0	6.0351
5	37845.0	3.2983	6	151674.0	13.2187	7	0.0	0.0	8	0.0	0.0
9	0.0	0.0	10	0.0	0.0	11	0.0	0.0	12	0.0	0.0
13	0.0	0.0	14	0.0	0.0	15	0.0	0.0			

TOTAL	
VOLUME	PERCENT
1147423.0	100.0

ORIGIN OF SHIPMENT : COLORADO

DESTINATION OF PRIMAL CUTS

NO.	STATE	NO.	STATE	NO.	STATE	NO.	STATE
1	ARKANSAS	2	LOUISIANA	3	MONTANA	4	NEW MEXICO
5	PENNSYLVANIA	6	TEXAS	7	NEW YORK	8	VIRGINIA
9	ILLINOIS	10	FLORIDA	11	MISSOURI	12	MISSISSIPPI
13	NORTH CAROLINA	14	MARYLAND	15	SOUTH CAROLINA		

(VOLUME IN THOUSAND POUNDS)

NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT
1	36934.0	4.0250	2	149402.0	16.2817	3	0.0	0.0	4	0.0	0.0
5	0.0	0.0	6	669293.0	72.9390	7	30319.0	3.3041	8	31658.0	3.4501
9	0.0	0.0	10	0.0	0.0	11	0.0	0.0	12	0.0	0.0
13	0.0	0.0	14	0.0	0.0	15	0.0	0.0			

TOTAL	
VOLUME	PERCENT
917606.0	100.0

ORIGIN OF SHIPMENT : CONNECTICUT

DESTINATION OF PRIMAL CUTS

NO.	STATE	NO.	STATE	NO.	STATE	NO.	STATE
1	ARKANSAS	2	LOUISIANA	3	MONTANA	4	NEW MEXICO

NAME OF PACKER : AMER

ORIGIN OF SHIPMENT : CALIFORNIA

DESTINATION OF ALL CUTS

NO.	STATE	NO.	STATE	NO.	STATE	NO.	STATE
1	PENNSYLVANIA	2	NEBRASKA	3	NEW YORK	4	RHODE ISLAND
5	VIRGINIA	6	KANSAS	7	MASSACHUSETTS	8	MINNESOTA
9	MISSOURI	10	SOUTH CAROLINA	11	CALIFORNIA	12	GEORGIA
13	IOWA	14	ILLINOIS	15	MAINE	16	NORTH CAROLINA
17	NORTH DAKOTA	19	TEXAS				

(VOLUME IN THOUSAND POUNDS)

NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT
1	37845.0	100.0000	2	0.0	0.0	3	0.0	0.0	4	0.0	0.0
5	0.0	0.0	6	0.0	0.0	7	0.0	0.0	8	0.0	0.0
9	0.0	0.0	10	0.0	0.0	11	0.0	0.0	12	0.0	0.0
13	0.0	0.0	14	0.0	0.0	15	0.0	0.0	16	0.0	0.0
17	0.0	0.0	18	0.0	0.0						

TOTAL  
VOLUME : PERCENT  
37845.0 100.0

ORIGIN OF SHIPMENT : COLORADO

DESTINATION OF ALL CUTS

NO.	STATE	NO.	STATE	NO.	STATE	NO.	STATE
1	PENNSYLVANIA	2	NEBRASKA	3	NEW YORK	4	RHODE ISLAND
5	VIRGINIA	6	KANSAS	7	MASSACHUSETTS	8	MINNESOTA
9	MISSOURI	10	SOUTH CAROLINA	11	CALIFORNIA	12	GEORGIA
13	IOWA	14	ILLINOIS	15	MAINE	16	NORTH CAROLINA
17	NORTH DAKOTA	19	TEXAS				

(VOLUME IN THOUSAND POUNDS)

NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT	NO.	VOLUME	PERCENT
1	0.0	0.0	2	39002.0	4.9844	3	449439.0	57.4378	4	38540.0	4.9254
5	255499.0	32.6525	6	0.0	0.0	7	0.0	0.0	8	0.0	0.0
9	0.0	0.0	10	0.0	0.0	11	0.0	0.0	12	0.0	0.0
13	0.0	0.0	14	0.0	0.0	15	0.0	0.0	16	0.0	0.0
17	0.0	0.0	19	0.0	0.0						

TOTAL  
VOLUME : PERCENT  
782480.0 100.0

ORIGIN OF SHIPMENT : IOWA

DESTINATION OF ALL CUTS

13062

DAILY SUMMARY OF PURCHASES AND SALES BY NAME OF PACKER

(THOUSAND POUNDS)

		CARCASSES				PRIMAL CUTS			
		SALES		PURCHASES		SALES		PURCHASES	
DATE ORDERED		PURCHASING PACKER	VOLUME	SELLING PACKER	VOLUME	PURCHASING PACKER	VOLUME	SELLING PACKER	VOLUME
JANUARY	1	ARMOUR	37518.0						
JANUARY	1	MORRELL	36222.0						
JANUARY	1	SWIFT	32904.0						
JANUARY	1			IOWA	73840.0				
JANUARY	1			MACO	32904.0				
JANUARY	2	ARMOUR	409555.0						
JANUARY	2	IBP	631360.0						
JANUARY	2	SWIFT	76713.0						
JANUARY	2	WILSON	70941.0						
JANUARY	2			IOWA	290142.0				
JANUARY	2			MISS	114844.0				
JANUARY	2			NEED	301766.0				
JANUARY	2			WOLV	5167.0				
JANUARY	2			COLD	38800.0				
JANUARY	2			MIDW	158430.0				
JANUARY	2			PLAT	27079.0				
JANUARY	2			SPEN	145560.0				
JANUARY	2			WILS	106830.0				
JANUARY	2					ARMOUR	88977.0		
JANUARY	2					SWIFT	8716.0		
JANUARY	2							AMER	35776.0
JANUARY	2							EAST	25521.0
JANUARY	2							WOLV	27680.0
JANUARY	8	ARMOUR	161370.0						
JANUARY	8	IBP	313378.0						
JANUARY	8	SWIFT	159391.0						
JANUARY	8	WILSON	38407.0						
JANUARY	8			IOWA	107892.0				
JANUARY	8			LYKE	33160.0				
JANUARY	8			WEST	20318.0				
JANUARY	8			CORN	39295.0				
JANUARY	8			NEED	131375.0				
JANUARY	8			PLAT	68422.0				
JANUARY	8			SPEN	74286.0				
JANUARY	8			MACO	58104.0				
JANUARY	8			MISS	101787.0				
JANUARY	8			FARM	38407.0				
JANUARY	8					ARMOUR	62168.0		
JANUARY	8					SWIFT	56178.0		
JANUARY	8							SUNF	25440.0
JANUARY	8							WOLV	36728.0
JANUARY	8							MISS	56178.0
JANUARY	9	ARMOUR	306474.0						
JANUARY	9		377242.0						

DATE

PRODUCT (CHOICE HEIFERS 57X)

DATE		SELLING PACKER	STATE	PRICE	PURCHASING PACKER	STATE
JANUARY	1	MACO	MISSOURI	57.25	SWIFT	MISSOURI
JANUARY	2	IOWA	NEBRASKA	59.00	ARMOUR	KENTUCKY
JANUARY	3	IOWA	NEBRASKA	59.00	ARMOUR	KENTUCKY
JANUARY	5	MISS	MISSOURI	58.00	SWIFT	MISSOURI
JANUARY	5	MISS	TEXAS	60.50	SWIFT	LOUISIANA
JANUARY	6	DUBU	KANSAS	59.75	SWIFT	KENTUCKY
JANUARY	7	MACO	MISSOURI	56.00	SWIFT	MISSOURI
JANUARY	7	MACO	MISSOURI	59.75	SWIFT	MISSOURI
JANUARY	7	MACO	MISSOURI	56.00	SWIFT	MISSOURI
JANUARY	8	MACO	MISSOURI	56.00	SWIFT	MISSOURI
JANUARY	8	MACO	MISSOURI	59.25	SWIFT	MISSOURI
JANUARY	8	MACO	MISSOURI	59.75	SWIFT	MISSOURI
JANUARY	8	MISS	MISSOURI	58.00	SWIFT	MISSOURI
JANUARY	9	IOWA	NEBRASKA	61.00	ARMOUR	KENTUCKY
JANUARY	9	MISS	MISSOURI	53.00	SWIFT	MISSOURI
JANUARY	9	MISS	MISSOURI	69.25	SWIFT	MISSOURI
JANUARY	10	MACO	MISSOURI	56.50	SWIFT	MISSOURI
FEBRUARY	5	MACO	MISSOURI	61.00	SWIFT	MISSOURI
FEBRUARY	5	MACO	MISSOURI	65.25	SWIFT	MISSOURI
FEBRUARY	5	MACO	MISSOURI	61.00	SWIFT	MISSOURI
FEBRUARY	6	MISS	MISSOURI	61.50	SWIFT	MISSOURI
FEBRUARY	6	SPEN	IOWA	66.50	ARMOUR	MINNESOTA
FEBRUARY	6	WILS	MINNESOTA	66.00	ARMOUR	MINNESOTA
FEBRUARY	7	MACO	MISSOURI	62.00	SWIFT	MISSOURI
FEBRUARY	7	MACO	MISSOURI	65.75	SWIFT	MISSOURI
FEBRUARY	8	DUBU	KANSAS	67.25	SWIFT	KENTUCKY
FEBRUARY	8	IOWA	IOWA	67.00	ARMOUR	KENTUCKY
FEBRUARY	8	MISS	MISSOURI	52.69	SWIFT	MISSOURI
FEBRUARY	9	IOWA	IOWA	67.00	MORRELL	MINNESOTA