Mandatory Price Reporting Critical to Industry Competitiveness

SITUATION
The Livestock Mandatory Reporting Act (LMRA) of 1999 established a program of information on the marketing of cattle, swine, lambs and products from those animals. Twice daily mandatory price reports published by the U.S. Department of Agriculture include information on pricing, contracting for purchase, supply-and-demand conditions for livestock, livestock production and livestock products. Today, less than 3 percent of all hogs are sold at terminal markets. Furthermore, the number of hogs sold under some sort of market contract continues to increase. Changes in the marketing of animals have prompted modifications to Mandatory Price Reporting (MPR) over time. The current LMRA is set to expire Sept. 30, 2020.

NPPC POSITION

*NPPC supports timely reauthorization of the Livestock Mandatory Reporting Act. Timely and accurate information is important for a competitive market to function effectively. NPPC opposes any new legislation or regulations that restrict marketing opportunities or interventions in hog markets unless such actions address a clear, unequivocal instance of market failure or abuse of market power.*

FAST FACTS

- Pork producers need a transparent, accurate and timely national market reporting system to make knowledgeable business decisions about selling their hogs.
- Mandatory Price Reporting offers market information on pricing, contracting for purchase and supply-and-demand conditions for hogs, all of which enhance market transparency.

Timely reauthorization of the Livestock Mandatory Reporting Act will ensure the U.S. pork industry remain competitive.

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